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THE TIMES

Are the days of state control numbered? Page 14

Mr Callaghan hopeful after success of Nigeria meeting

James Callaghan, the Prime iister, is hoping to convince :k African leaders of the ousness of Western determina- to cooperate with them by ng a strong line towards South ica over Namibia. His wish to reinforce Britain's credibility was one of the main products of his weekend meeting in Nigeria with President Kaunda of Zambia. It is also understood that British troops will not be sent to Zambia or Rhodesia.

Drive to soothe black Africa

red Emery
cal Editor

James Callaghan, the : Minister, is hoping that ong line this week by the ern allies towards South a over the Namibia sse, together with revived -American efforts towards odesia settlement, will con- African eaders of Western mination to cooperate with : Africa.

e first indication will : in the United Nations this week when the rity Council debates ibia and the call for sanc- against South Africa. Dr d Owen, the Foreign etary, leaves for New York y.

ie Prime Minister's deter- tion to reinforce Britain's ibility emerged yesterday ne of the main products iis weekend meeting in , Nigeria, with President ida of Zambia and General anjo, the Nigerian leader. ras Mr Callaghan's first ing with General Obasanjo, was found by the British to bt very realistic and minded.

at Britain will not do is being emphatically stated in private by Mr ghan's ministers. Thus, h troops will not be sent r to Zambia or to Rhodesia. said that this was not dis- d at Kano.

reover, no meeting was, , being arranged for Mr ghan, with Mr Ian Smith, Rhodesian regime's leader. ontact whatever is acknowledged to have been received by the British Government from any of his possible intermediaries.

It is also said that Mr Callaghan will bardly look kindly on an approach from Mr Smith after the way he has flouted Britain for the past 13 years.

In this mood of post-Kano ebullience there is little question *that the Prime Minister is* much relieved that his meeting with President Kaunda went off fa rbetter and more cordially than he and his colleagues had dared hope.

Precisely what is in the "Kano Accord", as President Kaunda described it after his seven hours of talks with Mr Callaghan, is being kept secret for fear, it is said, of things coming unstuck. But it is clear that the Prime Minister, through straight talk and play on his longstanding friendship with the Zambian President, believes that he has warded off, for the present, any damage to British interests in black Africa that may have resulted from President Kaunda's earlier despair of Britain.

Whether Britain now has a certain deadline to achieve progress, particularly as regards Rhodesia, is also not clear. But in authorative quarters it is emphasized that there is new urgency, although reports that the next few days might see the revival of invitations to the proposed al-party conference on Rhodesia were being foficially described as premature.

Whitehall sources describe the meetings with President Kaunda as a modest step forward; others in authority said a common approach had been agreed in which each country would be trying to exercise its influence as best it could.

What part bilateral relations played—and beforehand they had been described by Downing Street as being at the centre of the Kano meetings—is also unclear, for the moment. But a big increase in British economic aid to Zambia is certain.

Mr Callaghan, who spent yesterday at his Sussex farm, is said to have gained encouragement from the outcome of the discussions. Apparently he picked Kano, after a glimpse at the map, partly because he had not been there since 1947 and partly because he knew he would need to improve Britain's standing with the Nigerians.

In the event, as his party in Nigeria mused over the way the Sunday newspapers in Britain would be depicting Britain's standing as being at an all-time low after last week's publication *of the Bingham report*, Mr Callaghan was delighted to have his car greeted by cheering Nigerians.

The meeting with the Nigerian leaders, with whom relations had been fragile fod a long time after the overthrow of the Gowon regime, was also seen as highly important. Britain now exports far more to Nigeria than it does to South Africa, and the context was duly noted by Mr Callaghan.

The National Front marching to the East End of London yesterday, almost lost behind the cheerful massed ranks of the Metropolitan Police.

Police tactics ensure that National Front march is peaceful

By Robert Parker

The National Front march into the East End of London, which many had feared might end in violence, passed off almost without incident yesterday. A march b ythe Anti-Nazi League [report, page 2] was also peaceful.

There was only one scuffle, outside the Front's new headquarters in Great Eastern Street before the National Front march arrived. Twenty-three people were arrested as opponents of the Front tried to group outside the building. No one was injured.

The march remained peaceful mainly because the many policemen present managed to keep the National Front marchers and the demonstrators apart. About 1,600 people took part in the march, the police said.

There were about 2,000 demonstrators gathered mainly near the junction of Shoreditch High Street and Bethnal Green Road. The Hackney Defence Committee had expected many more people to attend.

The police changed the Front march's destination at the last moment. It was to have ended in Redchurch Street, off Shoreditch High Street, a road that leads directly into Brick Lane, about one hundred yards away. There has been a good deal of race trouble in Brick Lane, which has become a favourite meeting place of the National Front and anti-racialist groups.

The police allowed the Front to march down Great Eastern Street, passing its new headquarters, and then turned it immediately into Curtain Road, about a quarter of a mile from the demonstrators and about half a mile from Brick Lane.

A meeting then took place, which was hemmed in by hundreds of policemen. Demonstrators had no opportunity of getting near.

The National Front march had started at 2.40 pm on the Embankment behind Charing Cross. The march, escorted by four ranks of policemen and led by 27 mounted officers, made its way up to the Strand, and eventually, led by flag bearers and drummers, to the East End by way of Clerkenwell Road, John Street and Old Street. Many of the marchers, some of whom wore helmets, were youths with "crew-cut" hair. They wore heavy boots and jeans with braces.

Anti-Nazi march: Catalogue of violence, page 2

Terrorist suspects captured

Dortmund, Sept 24.—Two suspected terrorists were captured today after a gun battle in which a West German policeman was shot dead, police said.

Both suspects, a man and a woman, were wounded. The man was taken to hospital for an emergency operation. A third suspected guerrilla escaped.

Accordin gto unconfirmed reports, the gun battle broke out when a police patrol car spotted a group of young people practising shooting in a wood.

Officials were unable to confirm reports that the captured woman was either Adelheid Schulz, aged 23, or Angelika Speitel, aged 26. Both are among West Germany's most wanted terrorists.

Police mounted a search for key members of the Red Army Group earlier this month amid evidence that the group was planning new terror strikes, possibly including the kidnapping of leading German business figures.

The evidence ssurfaced in a Düsseldorf terrorist hideout uncovered after police shot dead Willy Peter Stoll, a suspected anarchist, on September 7.—Reuter and AP.

Divided Arabs threaten diplomatic and economic boycott of Egypt

From Robert Fisk
Damascus, Sept 24

Mr Cyrus Vance the American Secretary of State, left Damascus today after failing to win any tangible support for the Camp David agreement from Jordan, Saudi Arabia or Syria.

Even before he left for Washington this afternoon, the Arab states which have most noisily rejected the Egyptian-Israeli accord set out to isolate President Sadat by announcing that they intended to break off all diplomatic and economic relations with Egypt.

They also threatened to create a rival Arab League to the present organization, which has its headquarters in Cairo.

As he was about to board his aircraft home after four-and-a-half hours of talks with President Assad of Syria, Mr Vance issued an unencouraging little printed statement which described the meeting as "frank and extensive" and added that he had explained etails of the Camp Davi agreement to the Syrian leader.

American Embassy officials had expected the talks to end sooner and Mr Vance said that Syria and the United States would continue their dialogue, but the penultimate sentence of the statement held out little hope of any Syrian support for American policies.

"We share the hope", Mr Vance said, "for a comprehensive and just peace in this area which takes into account the aspirations of all the region's people."

When Mr Vance arrived in Damascus this morning his aircraft had trundled past the red carpet and military bands which had been prepared for the imminent departure of Colonel Gaddafi of Libya and the American aircraft eventually came to rest some way from the terminal building beside a slightly rusting hangar. Here Mr Vance was greeted by the Syrian Foreign Minister.

But the weekend, which has seen more hurried international diplomacy in the Middle East than at any time since the days of Dr Kissinger, can hardly be said to have set a pattern for future events.

Although the dogged optimism being expressed privately by Mr Vance's entourage seems to have little to do with reality, the battle for the hearts and minds of the moderate Arab states is not going well for Syria and its allies.

President Assad's anti-Sadat summit in Damascus had not reached its conclusion last night when Colonel Gaddafi began shouting angrily at Mr Yassir Arafat, the leader of the Palestine Liberation Organization, about the PLO's demand for millions of pounds of Libyan aid.

According to two conference delegates—and to a security guard who was listening at the door of the private meeting—Colonel Gaddafi at one point banged his fist on the table and screamed at Mr Arafat: "Do you take me for a fool?" before storming out of the room.

In less than an hour and immediately the conference ended, President Boumedienne of Algeria left Damascus altogether, reported to be furious a the disputes that had broken out in a conference designed to create Arab unity.

President Assad scarcely had time to say goodbye to his guest before the Algerian leader left for the airport and climbed on board his aircraft without waiting for the guard of honour to play the national anthem.

It should be added, however, that President Assad appears to have behaved with complete dignity throughout the summit and it is he, not Colonel Gaddafi or Mr Arafat, who will fill the role of leader in the right against Camp David in the months ahead.

Unlike Mr Arafat, who was visibly shaken by some of the arguments last night—he could be observed wiping his eyes after one meeting—President Assad is unlikely to allow such squabbies to shake Syria's resolve.

At present, there is no sign of any weakening of President Sadat's resolve either. Tens of thousands of Egyptians stood in the sweltering heat of Cairo streets yesterday to welcome

Continued on page 5, col 1

Full pension rise next year urged

By Our Labour Staff

Mr Len Murray, general secretary of the TUC, called yesterday for the union aim of a married couple's old age pension, set at half the national average earnings, to be implemented by the end of next year.

He told a rally of about 2,000 in Trafalgar Square, called in support of the target, which includes a single person's pension of a third of average earnings, that the TUC's aims ought to be achieved "during 1979".

Mr Murray said that while trade unionists would be willing to pay somewhat higher national insurance contributions to help to finance it, a substantial increase in employtrs payments was also needed.

Mr Jack Jones, former general secretary of the Transport and General Workers' Union, contrasted the emand, would *mean £43 a week for a married* couple and £28.50 for a single person, with the "poverty" level of £31.20 and £19.50 payable foom this November.

He said: "The demand is for human rights for senior citizens in the United Kingdom, nothinn less. "There are hundreds of thousands of retired people who have done their stint for society, who are decaying because they lack a decent standard of living."

relimo forces attacked in raid

isbury, Sept 24.—Rhode- troops clashed with mbican forces during a day operation against guer- bases inside Mozambique, Rhodesian military com- said today. Twenty-five illa bases were destroyed g the raid, which ended rday.

a communiqué, the mili- command said that Rho- n forces battled with mbican trops equipped armoured personnel car-

added: "While it has repeatedly stated that lesian security forces have quarrel with the Mozam- Army, elements of FPLM limo) based at Chimoio town chose to move into the terrorist bases during the operations and it became imperative to eliminate the Soviet-supplied armoured personnel carriers."

The communiqué gave no details on the casualties suffered by the guerrillas, the Bozambicans or the Rhodesians. But a military spokesman interviewed on television tonight said there had been "numerous air strikes on pre-selected targets causing considerable casualties".

The Rhodesian targets were bases occupied by guerrillas of the Zimbabwe African National Liberation Army (Zanla). "The recent self-defence operation against Zanla terrorists into Mozambique was carried out successfully", the communiqué said. "Twenty-five bases were attacked in separate locations, the centre of the target being approximately 43 miles from the Rhodesian border."

The announcement of the completion of the raid into Mozambique coincided with the announcement by Lieutenant-General Peter Walls, Rhodesia's military commander, that martial law had been imposed in several parts of the country. *However, the proclamation did* not say which districts were affected and what the martial law restrictions were.—Reuter and UPI.

Mugabe and Nkomo interviews, page 5

etter trade outlook for Europe and US

n David Blake
hington, Sept 24

dramatic convergence of world's economies, with the ted States current account cit halving and growth in ope speeding up, is being cast for the first half of year by both the International Monetary Fund and the anization for *Economic Co-* ation and Development.

he IMF, which is the more mistic, is suggesting that the ted States current account cit could shrink to an ual rate of only $7.500m 800m) in the first half of year, while the OECD pre- s a deficit running at ind $9,000m.

oth organizations agree that ted Kingdom growth is g to slow substantially to annual rate of only 2 per t in the first six months of t year.

he IMF forecasts are con- ed in a confidential paper mitted to the IMF's interim nmittee, which is meeting e today. Details are con- ed in the table (page 19).

In his introduction to the paper M Jacques de Larosière, the Fund's new managing director, says that while the general situation of the world economy remains unsatisfactory in many respects there are some signs of improvement. He put inflation first on the list of problems to be solved. Both because the absolute level is too high and because there are still to-large disparities.

On growth prospects, the Fund now expects a speed-up in world trade in the first half of next year, with growth at an annual rate of 6 per cent in volume terms in the first half of 1979 compared with only 4 per cent during 1978.

Industrial countries' exports are *expected to grow by* 5½ per cent and their imports by 6½ per cent.

The increase in the pace of world trade reflects that for the first time in many years, the main impulse to growth in the world is likely to come from the European countries rather than the United States, which is now generally thought to he heading for a growth recession next year.

Its growth rate is predicted by the OECD to fall to 3 per cent at an annual rate in the first half of 1979.

The payoff for the United dramatic improvement in its States comes in the form of a current account position.

Both the OECD and most other countries are thought to believe that thet IMF forecast of a deficit of only $750m at annual rate (including official transfers) in the first half of 1979 is too optiimstic. The Germans believe that it will be somewhere between $8,000m and $12,000m.

There is also a consensus that the IMF forecast of an Opec (Organisation of Petroleum Exporting Countries) surplus of $18,000m in 1978 and an annau rate of $17,000m in the first half of 1979, overstates the Opec position.

But the broad trend of a big improvement in the American payments position is generally agreed, and a new initiative by the White House to speed this process is expected on Tuesday when the President is likely to announce a new export policy.

The improvement in the United States position has been masked until now, it is argued, by the J-curve effect, under which currencies which depreciate start out by creating bigger deficits.

By next year the combination of a more competitive dollar and slower growth is expected to start showing through, though some observers are sceptical about whether Japan's surplus will vanish as quickly as the IMF expects.

The evidence that the adjustment process is working at last to even out payments balances has contributed to a mood of much greater optimism about the world economy among finance ministers and officials.

But it is recognized by some that most of the basic problems remain, with unemployment in the industrial world still running at 17 million and rising.

M de Larosière put forward

Continued on page 19, col 1

Police stand by as Swiss approve their new canton

From Alan McGregor
Moutier, Switzerland, Sept 24

The Swiss have endorsed, in a nationwide referendum, the setting-up of a new canton. It will comprise the three northern districts of the Jura and will be the twenty-third canton and the first addition to the confederation for 130 years.

Eventhe canton of Berne, to which the Jura has belonged since 1850, produced a 69.9 per cent vote in favour. Countrywide participation was 41.5.

While acclaiming the results separatists who form about a third of the popuplation in the three southern Jura districts, which decided narrowly in 1974 to remain with the canton ot Berne, regard the referendum as little more than a half-way point.

They expect the northern separatists to reestablish the "Jura geographical entity", that is by ultimately incorporating the south in the new canton.

As polling ended here today heavy police reinforcements were standing by. The town (pop 10,000) which has sizable light industry and would have been a major economic asset to the north, is virtually on the demarcation line between Berne and its new neighbour.

Some separatists are already displaying characteristics associated with minorities who consider themselves discriminated against. One said, for example, that he could not look to the police for protection "as they're Bernese".

ord faces total hutdown of operations in UK

d operations in the United Kingdom a total shutdown, probably by orrow evening, because of strike on in protest against a 5 per cent pay within the Government's guidelines Labour Staff writes). The unions the management accept that the bable outcome of workers' meetings be a strike throughout the 23 British d plants Page 2

tate chiefs scrutiny

pointments of chairmen of nationalized ustries should be scrutinized by MPs, all-party parliamentary report is ected to recommend this week. Such move would reduce the powers of isters to make appointments and could ult in American-style hearings over ection Page 19

International talks on people and parks

An international conference which begins tomorrow at Castleton, Derbyshire, will discuss how to balance protection of the countryside and the interests of the people who live there with the demands of recreation and tourism. The conference is being organized, at Losehill Hall, by the Peak Park Planning Board Page 3

Record Soviet harvest

Prospects in the Soviet Union are for a record harvest which could save the country almost £500m in grain purchases from *abroad*. But difficulties in bringing in the crop and a lack of drying machinery and storage space may reduce the final total of usable grain Page 6

Iran rioters dispersed

Police fired into the air to disperse anti-Shah demonstrators who had been attending the funeral of the religious leader of the central Iranian town of Golayegan. Windows were broken during the disturbance and some rioters were arrested Page 6

EEC team in China for trade talks

The first delegation of the European Economic Community to visit China since a five-year trade agreement between the two was signed last June has arrived in Peking. The team of bankers and industrialists will prepare the ground for an expected substantial expansion of trade with China, whose industrial expansion plans are thought to offer big opportunities to European exporters Page 4

Baluchi war threat

Baluchistan guerrillas have threatened to renew their armed struggle for self-determination if the Pakistan military regime does not begin negotiations immediately on the nationalities issue. Page 6

Pledge to unions: A future Conservative government would fully consult the unions overf any change in industrial relations law, Mr James Prior has said 2

Annual Financial Review: A 14-page survey of the world economy to mark the opening of the IMF and World Bank meeting in Washington

On other pages

Ford braces itself for shutdown of all 23 British plants

By Donald Macintyre

Ford wast bracing itself last night for a shutdown of its operations, in the United Kingdom, probably by tomorrow evening, because of strike action in protest against the management's 5 per cent pay offer within government guidelines.

Both parties accept that the probable outcome of meetings of the company's 57,000 workers starting this morning will be a strike throughout the 23 British Ford plants.

Mr Ronald Todd, chairman of the Ford union negotiators, last night referred to the rapid industrial action, affecting about 15,000 workers, which followed the company's offer on Thursday of 5 per cent and talks on productivity.

He added: "Bearing in mind the spontaneous reaction, I would expect the result of the meetings to be a total shutdown."

Mr Todd, an official of the Transport and General Workers' Union (TGWU), has told negotiators from all 15 unions to be ready to reconvene to discuss the position on Friday, the day the union side had originally been due to meet the company for its next negotiating session.

That meeting has been cancelled after the unions' rejection of the company's offer as deristory. However, Mr Todd repeated yesterday that "we are ready to meet the company at any time provided it is from a position of free collective bargaining".

The first union likely to be asked officially to back strike action against the offer will be the Amalgamated Union of Engineering Workers, at its weekly executive meeting tomorrow. Mr Reginald Birch, the union's leading negotiator in Ford and a member of the executive, is likely to argue that it has little choice, given its commitment to free collective bargaining.

The Government is understood to have made it plain to Ford that sanctions are a serious prospect if the guidelines are not heeded. The most likely area would be public sector purchasing of Ford vehicles.

Meanwhile, ministers are preparing for a likely emergency debate on pay at the Labour praty conference next week in Blackpool. The Government will stand firmly by its commitment to the wages limit as set out in the Prime Minister's spech to the TUC conference.

Our Political Editor writes: In deriding the Government's resort to pay "sanctions", Sir Geoffrey Howe, QC, shadow Chancellor of the Exchequer, has invoked a Rhodesia parallel, saying "they will be the economic equivalent of the Beira patrol".

He insisted that the true case was for a "moderate average level of pay settlements", not norms.

"Constitutionally, sanctions are a monstrosity. Industrially, they have been the cause of strife. And economically they have fostered a host of entirely arbitrary distortions", he said in remarks prepared for delivery to a Young Conservatives' conference yesterday at Great Bookham, Surrey.

Anthony Howard, page 14

Tories will consult the unions, Mr Prior says

Mr James Prior, opposition spokesman on wmployment, has given senior trade union leaders an undertaking that a Conservative government would "fully negotiate" with them on any changes in inudstrial relations law.

Mr Prior disclosed that in an interview, published today in the Conservative trade unionists' *newspaper*, News For Trade Unionists, in which he writes about his continuing *private contacts with leading* TUC figures.

The paper says that despite *union statements at the TUC* conference that it would be hard to work with a Conservative government, the leaders of the principal unions have assured Mr Prior that "they will have no difficulty" in working with him after a change of administration.

Mr Prior says of his relations with union leaders: "I am on first namt terms with them." He said there were very few who had not been to his house.

He does not elaborate on possible changes in industrial relations law beyond reaffirm*ing that they would be minor.* He also promises that on generat policies the unions will *always be consulted in advance* by a Conservative government.

Mr Prior, who the paper pre*dicts will be the next Secretary* of State for Employment, says hi would expect to set the six senior union leaders on the National Economic Development Council on his first day in office.

Mr Paisley preaches a sermon in Dublin

From *Christopher Walker*
Dublin

Another modest milestone in the recent turbulent history of Ireland was achieved yesterday when the Rev Ian Paisley, the most uncompromising exponent of Ulster "loyalism", preached his first sermon in Dublin since the present violence in Northern Ireland broke out 10 years ago.

Before the imposing MP for Antrim, North, and founder of the Free Presbyterian Church, had time to speak, his formidable array of Ulster stewards (imported at the request of *Dublin* corporation) were *in* action, bustling an angry Roman Catholic demonstrator *unceremoniously out of the* meeting.

A congregation of about 250 *staunch Protestants had gath*ered in Dublin's ornate Mansion House for the service, *braving driving rain and wide*scale predictions of trouble.

The fact that throughout the *service violence was restricted* to the throwing of to tomatoes and a scarcely audible cry of *abuse, indicated that some of* the emotion has been drained out of the Ulster issues in recent years.

Mr Paisley arrived athte Mansion House more in the *guise of a VIP than the ogre* he is regarded as by most Dubliners. His black limousine was flanked by two police outriders, who had accompanied him from Dublin air*port*.

He was the star turn at a service organized by the only *branch of his church yet* founded n the Irish Republic

The fact that his controversial visit coincided with the Football Cup had led to fears that clashes would break out with the supporters. But more than 70,000 Irish spectators preferred to cheer their teams rather than pay even the scantest attention to Mr Paisley's oratory.

to come here and trim my assembled faithful, adn the television cameras. "No Irishman, no Ulsterman, no one who lives on this island has any respect for a trimmer."

As it was, Mr Paisley kept strictly to bis earlier pledge and avoided even the slightest mention of politics. Instead he and fellow Free Presbyterian *ministers* treated the Mansion House to the kind of full-blooded "hot gospelling" ser*vice rarely experienced south* of the border.

It was towards the end of *Mr Paisley's 30-minute sermon* that three teenage girls who tried to pek him with tomatoes were removed.

Trades council report links National Front with East End race assaults

Police criticized in 'appalling' catalogue of violence

By Robert Parker

A level of violence des*cribed as appalling* against mainly Bengali immigrants and their property in the Tower *Hamlets* area of *east London* is alleged in a long report to be published in about two weeks.

The report, compiled by the Bethnal Green and Stepney Trades Council on information from many sources, documents the time, place and circumstances of 105 specific assounts. The authors claim that the report and the cases appear *only to skim the surface of* what has been happening.

It criticizes the police severely for *lack of action in* investigating cases reported to them, and says that the Bengali *community has virtually no* confidence in the police. I also suggests strong links between the attacks and the high level of National Front activity in the area.

The *report* has been drawn up in the past two months as a result of a meeting between various East End race organizations and Mr Len Murray, general secretary of the TUC. *Copies* are to be sent to MPs and to various bodies, includin gthe police.

It says: "Our findings, which appear only to skim the surface, reveal an appalling catalogue of violent crime, often leading to hospitalization of the victims—hammer attacks, stabbings, slashed faces, punctured lungs, clubbings, gunshot wounds, people beaten with sticks, bricks, umbrellas or kicked unconscious even in broad daylight."

It documents teachers unable to control racialist chanting in playgrounds, of named housing estates which to the Bengalis are "no-go" areas, of petrol-soaked rags thrown through letter boxes and set alight, of Asians squatting in squalid conditions in "safer" areas, and of widespread fear among the community.

"It is extremely difficult to give any exact figures as to the number of racist attacks that take place", it says.

"There is ample evidence that the vast majority of attacks are simply not reported. . . . We could not, and indeed did not, attempt to carry out any quantitative survey. We concentrated on the Bengali community in Tower Hamlets because it is this community which has borne the great brunt of racist attacks in the East End."

It continues:

A number of informants to the trades council inquiry spoke highly of the speed and competence of *the police in investigating and* dealing with the matters they had complained about. That situation reflects the council's own experi*ence when we have reported cases* to the chief inspectors in charge of community liaison.

However, it was far more common to hear Bengali victims of violence expressing no confidence whatever in the local police force. Many consider the police to be uninterested in their problems or actively biased against Asians.

Their deduction is based on their failure to get anything done about racial attacks . . . many felt that in a roundabout way, police officers were encouraging Bengalis to let such complaints drop, as it was pointles pursuing the matter.

We heard of numerous cases where Asians who had been attacked on the street were themselves arrested when the police arrived. The charge against them was of threatening behaviour, or of carrying offensive weapons (in several *cases of holding the very bottles* and lumps of wood with which they had themselves been attacked).

The police, who have heard of the report but not seen it, are angry that they were not consulted in its compilation. Commander John Thornton, head of Scotland Yard's community relations section, says that police manning has been increased dramatically in the area.

There are difficulties in the East End, he says, but he feels that the higher level of uniformed patrols has brought a decline in crime and assaults. Sir David McNe, the Commissioner, has himself visited the area privately and has met race *bodies. The troubles are very* high on his list of priorities.

In the *next* two weeks the police are expected to amounce new measures aimed at improving safety and at forming better links with the Bengalis.

The police say they are concerned about the activity of political groups in trying to exploit the situation, and of officials of some race bodies in stirring up the situation.

The police point out that three apparently racialist deaths this year have already resulted in seven arrests.

One main difficulty facing the police is that many Bengalis speak little or no English, and that what is naturally a withdrawn society becomes even more so in the face of violence.

The subject is dealt with at length by the report, which also examines housing, education and employment in the community.

There are, it says, up to 15,000 Bengalis in the Tower Hamlets population of 146,000, employed mainly in the clothing trade and "working long hours in the honeycomb of sweatshops covering Aldgate and Whitechapel."

The report's catalogue lists the date of each attack, the initials of the victim, the nature of the incident and of the follow-up. Other attacks are described in the text:

On July 6 about 60 men, them Bengali workers fr Charrington's bottling p Three Mills, in Bow, were the factory. They were by about 30 white men arn clubs and bricks. Eight were taken to St Andre pital, injured.

On June 11, 150 white ran down Brick Lane "Kill the black bastard smashing the windows of shops and car windscreen Bengali shop keepers. Monan was knocked unc by a hall of rocks an hurled into his shop winc ended up in hospital, v needed five stitches in He lost two of his teeth.

The report has a lo tion on the activities an of the National Front, clearly blames for caused the trouble. In elections this year th put up 43 candidates an 9 per cent of the vote.

The report indicat National Front support *been brought into* th Lane area in in numbers.

"They adopted swagger, a new arroga dence as they insulted voked the Asian comm other anti-racists in an a easured and calcula gramme, to bring violent and explosive r to the incitement."

Flights affected by dispute

Flights from Heathrow airport to France, Spain and Portugal suffered delays yesterday as the dispute involving French air traffic controllers continued.

An overtime ban by British Airways engineers also affected services, particularly overstas. Two British Aurways flights, to New York and Johannesburg, were cancelled and others were delayed.

The overtime ban in part of the engineers' continuing fight for pay parity with those employed at Gatwick airport by British Caledonian.

Flights from Nanchester were delayed by up to two hours at most, and average delays at Newcastle were between two and three hours, although one flight at the weekend was held up for four hours and a half.

Delays from Heathrow caused by the controllers' dispute were minor

A spokesman for the Civil Aviation Authority said that the situation was not expected to get worse.

Part of the throng of 30,000 marchers against racialism at Speakers' Corner yesterday.

Anti-racialism trudge proves good natured

By Trevor Fishlock

London's anti-Nazi rally, *march and carnival* attracted about 30,000 people yesterday and passed off without serious incident. *There were five* arrests.

For the most part the crowd enjoyed a long trudge in the sunshine and a laze in the park, expressing, if their placards could be taken at face value, their detestation of racialism in general and of the National Front in particular

The tenor of the march, from Hyde Park to Brockwel Park in south London, was one of opposition: the key words on banners, badges, lips and posters were 'stop', "smash", "crush", 'stamp out"

hTe event was organized by the Anti-Nazi League and what is caled Rock Against Racism; and those, in the manner of a trawl, caught all kinds of crious fish.

There were Vegetarians Against Nazis, Spurs Against Nazis, Gays Against Nazis, Skateboarders Against Nazis, Corby Against Nazis and, a piquant self-parody, Grans and Kids Against Nazis.

With groups of intense and whispy-bearded Communists, and other left-wing groups like the Socialist Workers' Party, and a great variety of other people, mainly under 25 and mainly white, they gathered in Hyde Park. There they were addressed by Mr Anthony Wedgwood Benn, Secretary of State for Energy, and Mr Arthur Scargill, the Yorkshire miners' leader.

A lot of people in the crowd were selling left-wing newspapers and sheets, seemingly *to each other, and men had* buckets of anti-Nazi badges which they were selling briskly *at 15p apiece.*

Banners were hoisted and everyone set off for Brockwell Park by way of Vauxhall Bridge, a walk of about four miles.

A number of punk rock bands perched on lorries could apparently be heard for almost as many miles.

Three large grotesque glass fibre heads, labelled Hitler, Webster and Tyndall (the latter two being National Front leaders) were *carried* on a lorry rather as the heads of the reviled t carried on pikes thr streets of London y

In Brixton blac *looked out of their* and watched bemuse procession jostled by

Across one of streets was a large b ing "Brixton Gays Anti Fascists, and dressed in royal rob tiara waved.

All in all it v natured, if somewha for an *event adverti* carnival, the march traffic in some are time and *the* although anti-Nazi, anti-litter; they left *leaflets* and beer cans.

Thorpe case witnesses on US television

A 20-minute report on the Jereby Thorpe conspiracy case was given in the Comumbia Broadcasting System's *Sirty Minutes* current affairs programme on American television yesterday. Mr Thorpe is accused with there others of conspiring to murder Mr Norman Scott.

Mr Michael Wallace, a CBS reporter, interviewed most of those who are likely to be witnesses for the prosecution. The result was a detailed at of the case against the defendant, which may not be boradcast or printed in Britain.

American viewers were shown the desolare moor where Mr Andrew Newton, a *pilot, shot Mr Scott's dog, for* which he was jailed for two years. There was a long and *emotional* interview with Mr Scott.

To help to compile the report, CBS hired Mr Roger Courtier and Mr Barry Penrose, tow journalists who in their book, *The Pencourt File*, investigated the circumstances surrounding the case and allegations by Sir Harold Wilson of a South African conspiracy to discredit Mr Thorpe.

The longest and most substantial interview was with Mr Peter Bessell, a former Liberal MP. Scotland Yard detectives visited him several times in California before bringing the charges.

There was also a short interview with Mr Newton.

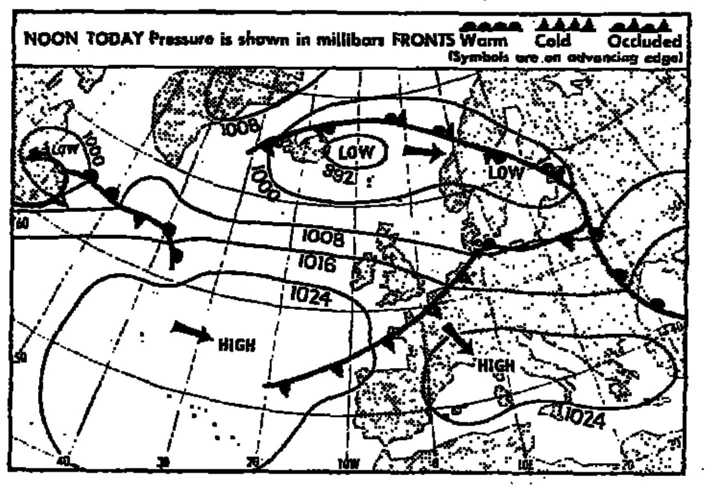
The final scene showed Mr Wallacy trying unsuccessfully to interview Mr Thorpe in *North Devon, where, he said,* "against every pressure, facing trail in a few months, he is *still determined to run again* for Parliament".

Woman's body found

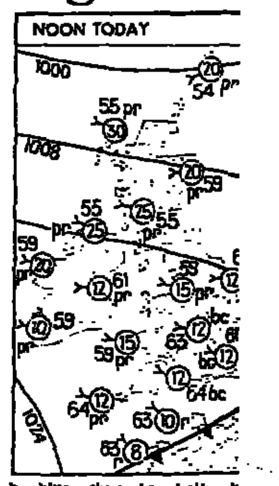
The body of Mrs Ellen Drew, aged 85, of *Little Common*, Bexhill, Sussex, was found in a waterlogged ditch on marshland at *Hooe Level*, Bexhill, yesterday after an air and land search by police.

Weather forecast and recordings

NOON TODAY Pressure is shown in millibars FRONTS Warm Cold Occluded (Symbols are on advancing edge)



NOON TODAY



Today

Sun rises: 6.51 am — Sun sets: 6.53 pm
Moon sets: 3.29 pm — *Moon rises:* 12.45 am tomorrow

New *Moon*: *October 2*.

Lighting up: 7.23 pm to 6.22 am. High Water: London Bridge, 8.17 am, 5.9m (19.4ft); 8.55 pm, 5.9m (19.4ft). Avonmouth: 1.10 am, 9.6m (31.4ft); 1.35 pm, 9.5m (31.1ft). Dover, 5.47 am, 5.2m (17.1ft); 6.34 pm, 5.1m (16.7ft). Hull, 12.11 am, 5.7m (18.8ft); 12.54 pm, 5.5m (18.1ft). Liverpool, 5.58 am, 7.1m (23.4ft); 6.32 pm, 7.1m (23.4ft).

A fresh airstream covers most areas. A frontal trough over S England will move away S.

Forecasts for 6 am to midnight:

London, SE, central S and SW England, East Anglia, E Midlands: Rain in places, becoming dry with sunny spells during afternoon. *Wind W, moderate. Max temp* 18°C (64°F).

E and central N England, W Midlands, S Wales: Perhaps a little rain at first, otherwise dry with sunny spells; wind W, moderate or fresh; max temp 17°C (63°F).

Channel Islands: Rather cloudy, a little rain at times, dried later; wind W, moderate; max temp 17°C (63°F).

N Wales, NW and NE England, Borders, Edinburgh and Dundee: Sunny spells, occasional showers; wind W, moderate or fresh; max *temp 15°C or 16°C (59°F or 61°F).*

Lake District, Isle of Man, Aberdeen, SW, NE, NW Scotland, *Glasgow, central Highlands*, Moray Firth, Argyll, N Ireland: Showers, occasionally heavy, sunny intervals; winds W, fresh, strong in exposed places; max temp 13°C to 15°C (55°F to 59°F).

Orkney, Shetland: Showers, occassionally heavy, sunny intervals; wind W, fresh or strong; max temp 11°C (52°F).

Outlook for tomorrow and Wednesday: Sunny spells, somewhat cooler, dry in S, showers in N.

Sea *passages*: S North Sea, Strait of Dover, English Channel (E): Wind SW, fresh or strong; sea moderate.

St George's Channel: Wind W or SW, fresh or strong; sea moderate.

Irish Sea: Wind W, fresh or strong; sea rough.

Saturday

London: Temp: max, 7 am to 7 pm, 25°C (77°F); min, 7 pm to 7 am, 12°C (54°F). Humidity, 7 pm, 47 per cent. Rain, 24hr to 7 pm, nil. Sun, 24hr to 7 pm, 9.0hr. Bar, mean sea level, 7 pm, 1,012.2 millibars, steady.

WEATHER REPORTS YESTERDAY MIDDAY: c, cloud; d, drizzle; f, fair; r, rain; s, sun.

		C	F			C	F			C	F			C	F
Akrotiri	s	25	77	Cologne	f	21	70	L Palmas	s	28	82	Nice	s	22	72
Algiers	s	26	79	Copenhgn	r	14	57	Lisbon	s	31	88	Oslo	r	9	48
Amstdam	f	18	64	Dublin	d	19	66	Locarno	s	23	73	Paris	s	23	73
Athens	f	24	75	Edinburgh	c	15	59	London	s	21	70	Reykjavik	r	9	48
Barcelona	s	26	79	Florence	s	22	72	Luxembrg	s	18	64	Rome	s	24	75
Belfast	r	12	54	Funchal	c	25	77	Madrid	s	27	81	Ronaldswy	d	13	55
Berlin	c	16	61	Geneva	s	20	68	Majorca	s	29	84	Stockholm	r	7	45
Biarritz	s	23	73	Gibraltar	s	23	73	Malaga	s	24	75	Tel Aviv	s	26	79
Birmgham	s	21	70	Guernsey	c	16	61	Malta	f	24	75	Venice	f	21	70
Bristol	c	19	66	Helsinki	c	5	41	Manchstr	c	19	66	Vienna	r	17	63
Brussels	c	17	63	Innsbruck	f	21	70	Moscow	c	5	41	Warsaw	c	10	50
Budapest	c	18	64	Istanbul	s	30	86	Munich	f	20	68	Zurich	s	21	70
Cardiff	c	18	64	Jersey	s	19	66	Naples	s	24	75				

Yesterday

London: Temp: max, ... pm, 23°C (73°F); min, ... am, 14°C (57°F). Humid... 71 per cent. Rain, 24hr ... nil. Sun, 24hr to 7 ... Bar, mean sea level, 7 ... millibars, steady.

1,000 millibars=29.53in.

At the resorts

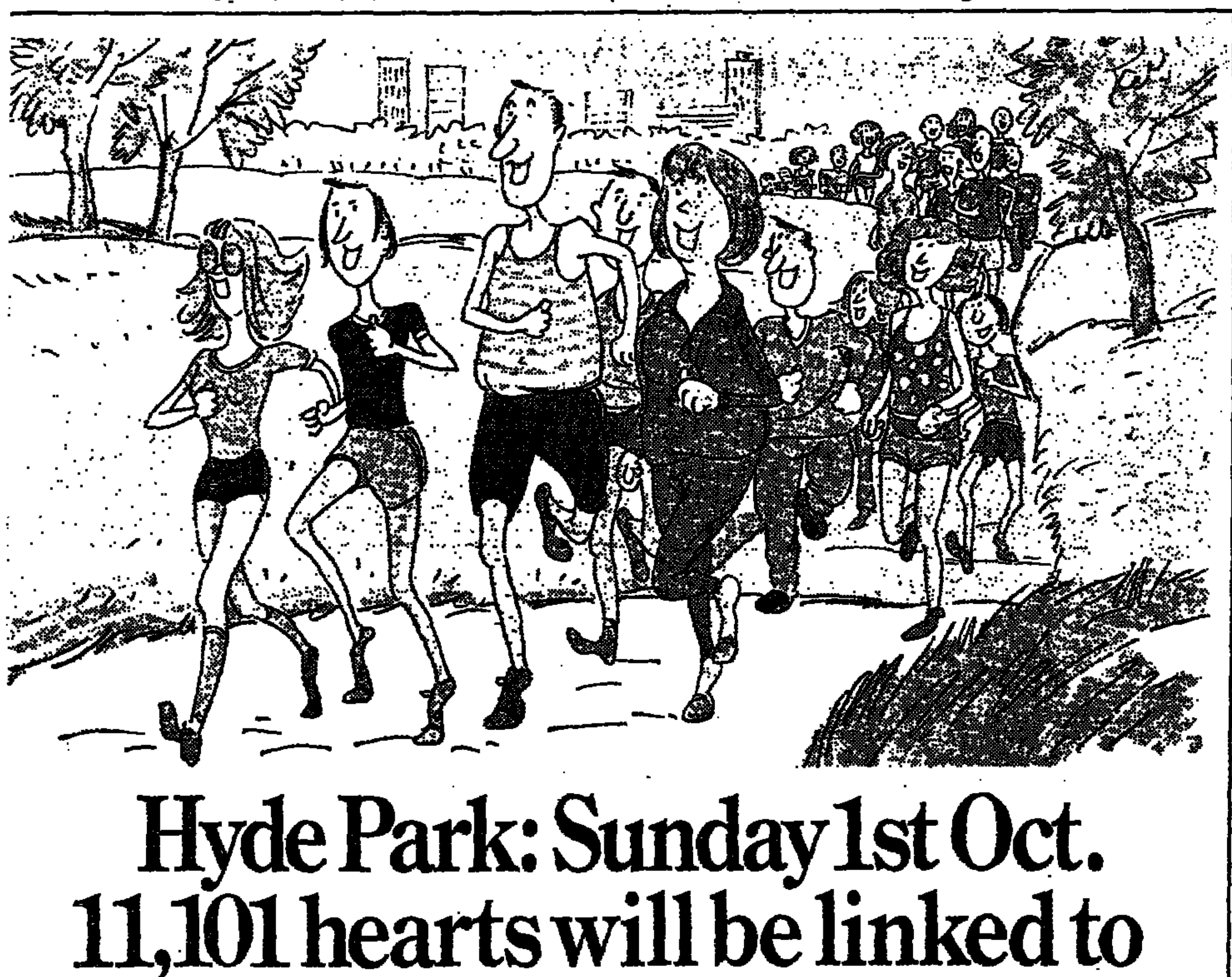
24 hr to 6 pm. Septemb...

E COAST: Scarborough, Bridlington, Gorleston, Clacton, Margate, Herne Bay [illegible]

S COAST: Hastings, Brighton, Bognor, Southsea, Sandown, Bournemouth, Exmouth, Torquay, Falmouth [illegible]

W COAST: Morecambe, Blackpool, Newquay [illegible]

Overseas selling prices: [illegible]



هكذا من الأصل

[1]4 nations to discuss [to]urism, recreation [a]nd the countryside

[J]ohn Young
[Plan]ning Reporter

[An] international conference [on p]arks and people begins to[morr]ow at Losehill Hall, Castle[ton], Derbyshire. Organized by [the P]eak Park Planning Board, [it is] being attended by dele[gates] from Belgium, Canada, [Cyprus], Denmark, Finland, [Fran]ce, West Germany, Greece, [Irela]nd, the Netherlands, [Polan]d, Portugal and Sweden, [in ad]dition to Britain.

[Th]e theme is how to balance [prote]ction of the countryside [and] the interests of those who [live] there with the demands of [recre]ation and tourism.

[Sig]nificantly, the same sub[ject] dominated two conferences [last w]eek, those of the Country[side] Recreation Research and [Advi]sory Group in York, and [the] National Park Authorities [in Ly]nton, Devon.

[Mrs ...], the former Miss Marion [...]d, of the Centre for En[viron]mental Studies, suggested [that] the main beneficiaries of [Brita]in's national parks had [been] solitary hikers and wilder[ness] seekers. Bias in their [favou]r arose because cam[paign]ers for the legislation that [introd]uced the National Parks [Act] 1949 were overwhelmingly [lovers] of wild country.

[Offi]cial attitudes to the [publi]c had been wary or even [hosti]le. When the National [Park]s Commission realized that [the] motor car might bring [sever]al visitors into the country[side] its only response was to issue the Country Code, telling people what they should not do.

Country parks and picnic sites were established to lure people from landscapes they might damage, rather than to help them get what they needed from the countryside. It was assumed that if people could be provided with somewhere to park their car they would happily sit in it and read the paper or drink tea.

The conventional wisdom that the solution to overcrowding in certain areas lay in encouraging dispersal needed further analysis, Mr R. M. Sidaway, of the Countryside Commission, and Mr F. B. O'Connor, of the Nature Conservancy Council, maintained.

"Peaking" had been associated with crowding and crowding seen as undesirable. But who saw that as a problem, the seekers of solitude? Why should their values invariably hold sway over those gregarious groups who found an area interesting and attractive only when other people were there?

That the dilemma is not perhaps as novel as many people think is suggested by the impatient words of William Wordsworth, well over a century ago: "The imperfectly educated classes are not likely to draw much good from rare visits to the Lakes . . . and surely, on their own account, it is not desirable that the visits should be frequent", he wrote in a letter to the Morning Post.

Leading article, page 15

Call to stop national parks being eroded

From a Special Correspondent
Lynton

Lord Winstanley, chairman of the Countryside Commission, told the national park authorities on Saturday that they were under no obligation to accept the advice of government experts "who tell you they have to do this, or there is no other way".

He said: "Sometimes it may be worthwhile to push other interests so that they have another look

Referring to the Government's decision in favour of limestone quarrying in the Peak District, Lord Winstanley told the national parks conference in Lynton, Devon: "We cannot go on allowing the national parks to be gnawed away on the basis of single cases".

He commended the government, however, for a letter from Mr Denis Howell, Minister of State at the Department of the Environment, to ministers and to heads of public bodies with land in national parks, impressing on them the desirability of their working in tightly with the national park plans.

"It was an unprecedented endorsement of the status and importance of national parks",

Closing the three-day conference, Lord Winstanley praised the national park authorities for their national park plans which, he said, were "a testimony of the will of the national parks" to grapple with the difficulties caused by increasing numbers of visitors

River-crossing ability of WRNS petty officers from HMS Royal Arthur at Corsham, Wiltshire, being tested during an assault course yesterday.

Thousands with poor sight 'unfit to drive'

Thousands of motorists aged between 50 and 65 are unfit to drive because of poor vision, according to a survey published in the British Medical Journal.

The report, by Dr David Stone and Dr David Shannon, of St Thomas' Hospital London, says that the eyesight of thousands of drivers is below the minimum standard set for holding a licence. The doctors add that motorists are generally unaware

The report is based on a survey of about 2,000 people, in the age group. Almost one person in 10 was found to have vision impaired to the point regarded by the Department of Transport as showing that people are unfit to drive. In those aged between 60 and 65 one in six was below

Four sites listed for natural gas terminal

From John Chartres
Manchester

The British gas industry is launching one of the biggest "public participation" operations in its history over the future siting of a 300-acre terminal on the north-west coast, which will be required to bring ashore supplies from the recently proved natural gas field in Morecambe Bay.

Four potential sites are being considered. The first is just south of the Lune estuary, near Lancaster; another in the Preesall-Pilling area, near Fleetwood; the third on the south bank of the Ribble, near Southport, and the fourth on the Dee estuary, near Shotton, in North Wales.

Public reactions so far have been fairly muted in relation to the Lune site; there have been some fears and objections voiced in the Pilling area; there are possible complications over the Ribble site because of the Nature Conservancy Council's intention to establish it as a 6,000-acre bird sanctuary; and local aspirations have been expressed that it might go to the Dee because of recent job losses in other industries there.

The assistant chief environmental planning officer of British Gas, Mr Charles Hibberd, emphasizes that he and his colleagues still have open minds about which site they will prefer and that they have only just begun finding out the detailed advantages and disadvantages of each.

Informal discussions are under way with local authorities; more formal ones will begin next month. Then there will be public meetings and touring exhibitions of models, photographs and diagrams to keep the public informed.

Last week a party of journalists from the North-west were flown over to view a similar installation on the Lincolnshire coast, at Theddlethorpe, near Mablethorpe, which has been operating without serious controversy or adverse incidents for five years.

The site takes up a lot of farmland (150 acres developed and another 180 in reserve for possible expansion); it is a low-lying complex, relatively unobtrusive in appearance, spotlessly clean and odour-free, and almost silent.

Few of the structures in the complex of pipes and tanks rise much above 50ft, and in an area where trees grow rather more readily than they do in the salt-laden winds of Lincolnshire, such an installation could be almost totally camouflaged.

Mr Hibberd maintains that the Ribble estuary site which is being saved by the Nature Conservancy Council as a habitat for wading birds against earlier plans by a Dutch businessman to drain and farm it, need not be ruled out of their short list.

Industrial interests hoping that the project will boost job opportunities are likely to be disappointed, however. There will be work for about 500 people during building, but the permanent staff operating the terminal will probably number only about a hundred.

[S]harp drop in white bread [co]nsumption, survey finds

[By H]ugh Clayton

[Bri]tish families are steadily [reduc]ing their consumption of [brea]d despite the growth of [home] baking. The latest instal[ment] of the National Food Sur[vey], published today, shows [that] although slightly more [brow]n bread was eaten early [this] summer than a year [befor]e, consumption of white [brea]d fell sharply.

[Th]e survey is the first to [recor]d the state of consumption [since] the withdrawal by the [Bak]ers group, makers of Won[derlo]af, from the bread mar[ket]. It measures what people [buy] to eat and drink at home, [and] is the most authoritative [guide] of the British diet.

[Th]e survey shows that con[sump]tion of white bread has [fallen] by well over a tenth in [the] four years despite the use [of go]vernment subsidies in the [mid-1]970s. It indicates that [famil]y purchases of many [tradi]tional British foods are [fallin]g steadily

[Die]tary changes have low[ered] the protein and energy values of food eaten at home in the past year, but there is no danger of inadequate nutrition in most of the population. Overeating remains a vastly more frequent condition in Britain than starvation.

The compilers of the survey say that the increase of 6½p in the pound on family food bills between the second quarter of last year and the corresponding period of this year was lower than the rise in food prices for the period. There was "a slight fall in the real value of household purchases per head, a fall due mainly to reduced purcheses of carcass meat, bacon and poultry.

Low prices of fresh vegetables this year helped to reduce family purchases of their tinned and frozen rivals, and less was spent on them early this summer than a year before. Consumption of breakfast cereals rose as that of bacon went down, and price cuts on coffee persuaded shoppers to buy more of it, and less tea.

HOUSEHOLD FOOD CONSUMPTION

(oz/person/week in 2nd quarter)

	Bread	Milk*	Lamb	Sausages	Preserves
	34.9	4.6	5.1	3.5	2.5
	34.0	4.8	4.2	3.2	2.2
	32.5	4.5	3.7	3.1	2.1

[* Pint]s in bottles and cartons
[Sourc]e: National Food Survey

[N]ew law 'fails to heal the [w]ounds of broken marriage'

[By a] Staff Reporter

[Th]e new laws governing the [sepa]ration of married couples [and] the paying of maintenance [are] a failure because they [mat]ch up an unsatisfactory [lega]l structure for family [affa]irs, according to the [Nat]ional Council for One [Pare]nt Families.

[Th]e Government, the coun[cil's] journal says today, should [hav]e taken the opportunity in [the] Domestic Proceedings and [Mag]istrates' Courts Act, 1978, [to] introduce family courts.

[U]nder the Act an order for [mai]ntenance will be made only [whe]re one party can prove [failu]re to maintain, unreason[able] behaviour or desertion, or [if b]oth partners agree. Proving [grou]nds, it was feared, would [cau]se as much increase in bitterness between a couple as present grounds.

Mr Paul Lewis, deputy director of the council, said that the new grounds did nothing to heal the wounds of a broken marriage or pave the way for reconciliation. The Act should be amended to allow one ground only, that the couple were living apart.

That was a clearly provable fact, simple to understand, and would bring into the magistrates' courts the "no fault" provision of separation under which nearly two fifths of all divorces were now granted.

Fewer couples went to magistrates' courts each year, but if those courts still had a role it was to make fair arrangements between partners when the marriage was not yet dead.

[£]200 offer to save pony [fr]om slaughter is refused

[By] a Staff Reporter

[A]n offer of £200 to save a [pon]y from slaughter has been [refu]sed by its owner after the [anim]al had been taken by a [scho]olgirl attempting to save [its] life.

[K]im Bowen, aged 14, of [Exe]ter, saw the pony at Exeter [cattl]e market after it had been [boug]ht for £50 by Mr Leslie [Pott]er, a licensed butcher and [slau]ghterman, of Bishop Sut[ton], near Bristol. She led the pony away and hit it in a [fiel]d, where it was discovered [by] police.

[T]he £200 offer was made in [a p]rivate capacity yesterday by [Mr] John Evans, a Worthing [hom]oeopath and president of [the] International Association against Painful Experiments on Animals.

The pony could be kept at the animal sanctuary at Cold Waltham, Sussex, run by the National Anti-Vivisection Society, he said. He had had an assurance of that from its president, Muriel Lady Dowding.

But even though he had increased his offer from £100 to £200 it had been rejected by Mrs Potter, Mr Evans said. He was prepared to go as high as £400, and have a horsebox collect the pony within 24 hours. But the Potters had said they would do what they wanted with the animal, and appeared incensed by the publicity the case had aroused.

[N]ewspaper boy's killing [li]nked with antique thefts

[Det] Chief Supt Robert [Ste]wart, head of Staffordshire [CID], said yesterday that he [bel]ieved the raid on Yew Tree [Far]m, Kingsfinford, Stafford[shi]re, in which Carl Bridge[wat]er, aged 13, the newspaper [del]ivery boy, was murdered is [lin]ked with nationwide antique [the]fts.

[A]n aspect of antique thefts [all] over Britain was that shot[gun]s had been involved, he said. It was likely that the weapon used to kill the boy was stolen.

Mr Stewart said information was continuing to pour in from the underworld, including many calls naming people thought to have been responsible for the killing.

Staffordshire CID were in contact with other police forces investigating antique raids on isolated farms and houses, he said.

HOME NEWS

Bigger part for judges in planning system urged

From Our Planning Reporter
Oxford

A call for greater involvement of the judiciary in the planning system was made yesterday by Mr Peter Boydell, QC, chairman of the Planning and Local Government Committee of the Bar. He was speaking at a weekend seminar in Oxford jointly arranged by the Law Society, the Bar Council and the Royal Institution of Chartered Surveyors.

"I believe it vital that the courts should approach the decisions of planning authorities, and of the Departments of the Environment and Transport, with ever more critical eyes", he said. "Put shortly, we should, I suggest, be more prepared to trust to the good sense of judges and less ready to leave policy and its implementation to others."

He cited an unnamed Oxford academic as saying that there had never yet been a successful challenge in the courts to the validity of any development plan, and quoted him as remarking that that was "surely not attributable entirely to the quality of English planning or the fairness of the public inquiry procedure".

If there was to be such judicialization, judges must acquire greater familiarity with the wherewithal of planning: its techniques, its language, its growing element of public consultation and participation. They must read departmental circulars, which they were so reluctant to do.

The Sartorius, broken on the rocks off Lulworth.

Three saved as yacht hits rocks

Three cross-Channel yachtsmen were rescued yesterday from their craft, which had grounded on rocks off the Dorset coast and later broke up.

Weymouth lifeboat took them off the Sartorius, owned by Mr Peter Stewart, aged 53, a former BBC reporter. He was crushed between the boat and rocks as he tried to jump clear. He was in hospital last night with chest and head injuries. The yacht broke up and was washed ashore in Worbarrow Bay.

The alarm was raised by one of the crew, Mr Michael Robinsin, aged 25, who scaled a 200ft cliff and ran two miles to a farmhouse.

The third crewman was Mr Peter Watson, aged 53, a retired BBC executive, of Colne Engaine, Essex. He was unhurt.

Worldwide human rights drive by Amnesty

From Our Correspondent
Cambridge

Amnesty International is to launch a worldwide campaign this winter which it hopes will lead to the ratification of the United Nations international human rights covenants by 100 countries that have not yet done so.

The covenants give legal force to provisions of the Universal Declaration of Human Rights and the campaign coincides with the thirtieth anniversary of the declaration.

Amnesty International's eleventh international council meeting ended in Cambridge yesterday and was attended by 300 delegates and observers from 43 countries.

Announcing the campaign, Mr Thomas Hammarberg, the international executive committee chairman, said it would also extend to the ratification of the European and inter-American human rights conventions.

He added: "The individual suffering of the world's prisoners of conscience, untried politica prisoners and victims of torture points up the international hypocrisy practised by governments who publicly proclaim their support for human rights but whose state policies systematically violate the dignity of the individual".

The council decided that while it will maintain its policy of reporting information on human rights violations it will not proopse or support sanctions such as boycotts or cuts in aid against governments committing such violations.

Mr Hammarberg added: "This does not mean we are against this sort of economic pressure, but we feel t is just not in our field.

"However, in cases where military, security and police assistance involves the transfer of equipment and expertise likely to be used by recipient governments to detain prisoners of conscience, and to carry out torture and executions, it is tortore and executions, it is possible for us to oppose such assistance."

The council settled an internal controversy when it decided not to sponsor further medical experiments involving the use of either humans or animals. A group of Danish doctors had been seeking ways of combating torture, and their experiments involve animals. Altohugh the animals had not suffered, it was thought wrong for Amnesty to continue to support such experiments, the council said.

The council set its international budget for next year at £1.5m.

Conference calls for open access to school records

The campaign against secrecy in schools was intensified on Saturday as delegates to a national conference on the subject called for open access to personal information in school files and records.

Confidential files deny parents the right to challenge details about their child's education, they said.

The conference in London was organized by the Advisory Centre for Education. Mr Peter Newell, the centre's director, said: "We see this argument in terms of human right, rights that are protected in the United States and in other countries."

He gave an example of comments written during a child's first years at school and later passed on to secondary school. The records had been found to contain comments such as "Wets bed" and "Does not fit into groups, not well liked". Mr Newell said: "Many may not be aware of the effects secret and subjective judgments which have been filed away have on their lives."

He said that the centre did not want school records to be abolished, but rather to be made accessible to parents. "We hope that the publicity surrounding these issues will do something to stop the education service remaining the secret service."

Mr Newell said later that his centre is to write to Mrs Shirley Williams, Secretary of State for Education and Science, drawing her attention to the public concern about confidential school files. The letter will urge the Government to support a Bill "to provide parental access".

Tory group disagrees with Stevas view of exam tables

The Monday Club, the Conservative pressure group, added fuel to the fire of the disagreement between the party's spokesmen on education at the weekend with a statement at variance with the view of Mr Norman St John-Stevas that examination results should be seen only in the social context of the school concerned.

It said that such thinking could result in children from poorer areas being preferred for higher and further education oved children with better results from more prosperous areas.

The disagreeemnt between Mr St John-Stevas, the chief opposition spokesman on education, and Mr Rhodes Boyson, his deputy, was based on Mr Boyson's comparison of the results of Manchester's comprehensive schools against the Trafford selective school near by.

In a thinly veiled rebuke to Mr Boyson on Friday, Mr St John-Stevas said: "We do not favour the publication of exam league tables. We want to see results placed in their appropriate social setting and in the context of the particular school and its problems."

The Monday Club said on Saturday that that view would lead not only to distortions but also to social engineering and undeserved egalitarianism which the Conservative Party ought to deplore rather than to justify.

Mr Martin Flannery, chairman of Laboud's education and science group, said inhis constituency of Sheffield, Hillsborough, on Saturday: "Mr St John-Stevas and his second-in-command really must get together and try to heal the leathly hatred they so obviously feell for one another.

"The British people clearly want comprehensive schools and the Tory party now recognize this. But the backwoodsmen, led by Hd Boyson, cannot reconcile themselves to this fact and are fighting a miserable rearguard actio nof voucher schemes and the like."

Mr Fred Jarvis, general secretary of the National Union of Teachers, said: "Thede is mounting concern at the misuse by politicians of examination results for purposes which grossly and deliberately misrepresent the work of individual schools and which are, or could be, detrimental to the education of pupils, both individually and collectively."

He said that the "crude and utterly irdespondsible tactics" of Mr Boyson had been exposed. He had been discredited and rebuked by Mr St John-Stevas.

The union executive issued a statement deploring the "totally misleading impression" created by Mr Boyson.

Pym pledge on referendums to Scots and Wales

By Our Political Editor

A Conservative frontbench pledge not only to hold referendums on the Scottish and Welsh assemblies but also to fix the date at March 22 was made on Saturday by Mr Francis Pym.

Unvertainty whether a Conservative government would carry out the referendums, or implement their results, has been used as an argument to attract Scottish and Welsh nationalist support for Mr Callaghan's Government in the vote on the Queen's Speech.

Mr Pym, the Shadow Cabinet's spokesman on devolution, stated in Dumfries that it was false to question the Conservative position. If 40 per cent of the Scots and Welsh electorates voted for the devolved assemblies (the proportion is required in the Acts) then a Conservative government would recommend to Parliament that the assemblies be set up.

Mr Pym had himself earlier this year raised doubts over the Conservatives' intentions when he suggested that a Thatcher government would first want to see how different regions of Scotland voted.

However, Mr Pym's promise was denouced yesterday as a "trap" set for the Scottish Nationalist Party by one of the government's tactical allies, Mr James Sillars, Scottish Labour Party MP for South Ayrshire.

80 Polish ex-servicemen must stay in hospital

By Our Health Services Correspondent

More than eighty Polish ex-Servicemen, patients in a Surrey mental hospital since the end of the last war, have to remain there because there is nowhere for them to go.

Most of the patients, aged between 55 and 75, have become institutionalized. Efforts by health authorities to return them to their own country have always failed. No one will take responsibility for them, even where medical opinion is that they could have been discharged.

Relatives cannot afford to visit them and they have little contact with the outside world.

The men are a group remaining from 450 Polish Servicemen who fought for the Allies in the war. Many were transferred from military hospitals after suffering mental breakdown.

Some died in the hospital, Long Grove, at Epsom, Surrey, and some have been discharged over the years. The remaining patients have one regular visitor who can talk to them in their own language.

Mrs Irene Pazowska, a survivor from a Russian concentration camp, visits them twice a week. But she is soon to retire from her post as the hospital's Polish welfare officer.

A member of the Polish Hearth Club, an organization of Polish ex-Servicemen, said last night that inquiries would be made about the patients.

Man hurt in fall from 'big wheel'

A man aged 22 was recovering in hospital yesterday after being thrown off a big wheel device at a fair at Sandbach, Cheshire, on Saturday.

Mr Graham Wright, a building worker, had his fall broken by a tree 30 feet away from the machine. He suffered a broken arm.

A girl friend who was with him managed to stay in her seat on a machine called a Paratrooper, which is like the big wheel but tilted at a steep angle.

A spokesman for the fairground operators said the machine was fairly new. "The test papers of this machine are in order. They have been passed to authorities. We cannot be responsible

Villagers protest after three die as car falls off pier

Villagers yesterday protested about a pier where three people plunged to their deaths on Saturday night while boarding a ferry. The three were drowned when their car toppled off the pier at Uig, on the Isle of Skye, at the place where another fatal accident occurred nine months ago.

They were: Saifullah Javed, Mohammed Sardar and Norma Macleod, all of Paisley Road West, Glasgow.

The accident occurred where the pier changes from two lanes to a single lane A restaurant owner, Mrs Linday Wilson, said yesterday: "The lighting is not very good and last night it was very stormy. There are railings on the pier, but not at that point."

Architecture report

Broxbourne: Lido in a reclaimed area

In contrast to most other new leisure centres Broxbourne lido is in a semi-rural spot. On reclaimed tipping and by the banks of the river Lee at the northern edge of Lee Valley Regional Park, the lido is surrounded by trees, picnic areas, terraces and riverbank. Farther away can be found a new hire-boat centre, an old public house and the main London to Cambridge railway viaduct.

In contrast to most other big leisure centres, such as those sports fortresses in Sunderland or Chester, it is a very open building. Perhaps that it why it is called a lido. It is a tinted glass box, two of whose sides splay out. There is a deliberate attempt to try to let the outside merge into the inside: the pool hall opens out on to riverside terracing, and the first-floor cafe opens on to a high-level outside terrace.

Unlike the big sports centres, Broxbourne lido has a limited range of activities: a main pool, a paddling pool with beach area, changing rooms, a sauna, solarium, sunbathing terraces and a restaurant and cafe. So the main attraction is the pool, in its full-height pool hall, with lurid green steel roof and glass walls. No self-respecting pool can be without its wave machine nowadays. The lido has its own improved pattern which produces parallel rolling waves. Yet it is not a deep pool, being barely 5ft deep. Beyond an arcade, which carries the first-floor glazed walkway, is the paddling pool.

Entrance is at a higher level, from which one can look down on the splashers below from the walkway. The cafe and the solarium are entered at that level. The changing rooms are downstairs, to give direct access to the pool.

In keeping with the high pool hall temperature of 85°F, there is a profusion of tropical plants. In order to heighten the illusion that Broxbourne lido is in the Bahamas, mosaics and tiles have been skilfully deployed. White and blue signify the pool, and a gold rim indicates beach. The island in the middle takes the form of a dark brown fish, and an octopus can be discerned on the seabed in the toddlers' pool.

The pool was designed by the architects of Lee Valley Regional Park Authority. It is 11 years since the authority was established, during which time improvements to the derelict land in the corridor have been increasingly obvious. The removal of unsightly derelict machinery, reclamation of land, gravel pits turned into sailing areas, and the planting of trees with park benches, have all been signs of the authority at work.

Perhaps the best synopsis is gained from a railway trip from London to Cambridge, since the railway line follows the Lee valley for a large part of its journey before Bishop's Stortford. Another large building completed only a few years ago was the Pickett's Lock Centre.

The lido, however, is something slightly special. Because it is entirely clad in glass it seems lighter than the concrete Pickett's Lock. The bronze-tinted glass gives an air of sophistication, since that is the present fashion. It has also the practical function of reducing solar heat gain inside. The two splayed walls make the lido visually arresting.

Had it not been for the park authority, the small communities of Broxbourne, Roydon and Ware would never have had the chance of a £2m leisure building. More to the point, however, is the fact that, in this corridor of industrial buildings, gravel pits, nurseries, warehouses and electricity stations, Broxbourne lido sticks out like a visitor from the glossy metropolis: neat, gleaming and inviting. That is no mean achievement for a swimming pool.

Charles McKean

WEST EUROPE

EEC team visits Peking to prepare ground for 'exciting new opportunities' in trade with China

From Michael Hornsby
Brussels, Sept 24

A large delegation of European Community bankers and industrialists, led by Herr Wilhelm Haferkamp, the Commissioner for External Relations, began a 10-day visit to China today to prepare the ground for what both sides hope will be a substantial expansion of trade.

As an earnest of the EEC's good will Herr Haferkamp will be able to inform his hosts of the decision taken earlier this month by EEC foreign ministers to add some 20 products to the list of Chinese exports granted free access to the Community.

Although these products have no great economic significance, the gesture is of symbolic importance in that hitherto the Community applied the same import rules to China as to other communist countries. Now, for the first time, China's privileged position on the EEC market, compared with the Soviet Union and other Comecon countries, has been given practical expression.

The EEC move in the first step in the progressive liberalization of Chinese imports to which the Nine are pledged under the five-year trade agreement with China, which came into force on June 1. One of Herr Haferkamp's tasks will be to discuss a date for the first meeting of the EEC-China trade committee also envisaged in that agreement.

The rapid development of relations with China is in marked contrast to the stalemate in talks between the EEC and Comecon on a new framework for their trade relations. Herr Haferkamp's visit to Peking comes less than two months after the latest round in these discussions confirmed their total lack of progress.

Officials in Brussels believe that momentous changes are occurring in China's attitude towards imports from the West, and that Peking's ambitious industrial development plans offer exciting opportunities for European exporters, but trade between China and the EEC at present is still relatively insignificant.

The Nine are China's most important trading partners after Japan, yet the Chinese still account for less than one per cent of the Community's trade, and not more than one-fifth of the trade between the EEC and the Soviet Union and other East European countries.

About 90 per cent of the EEC's exports to China consists of machinery, industrial and transport equipment and other manufactured gods, while 50 per cent of China's exports is in food and raw materials, though there has been a steady rise in its exports of manufactured goods.

One of the main concerns of Herr Haferkamp's delegation will be to find out as much as it can about how the Chinese intend to finance the large-scale imports of capital and industrial goods which appear to be necessary if the development plans are to be realized.

Mass moto cycle safety rally ends i disaster

From Charles Hargrove
Paris, Sept 24

Ten thousand motor cy girded like modern knigl leather with steel, held in thrall for several hou Friday night as part of a sive protest rally against statements by M Chi Gerondeau, the Gover Director for Road Safety, ing the more powerful ma for a heavy toll of accidents.

But what was orig intended as a breath demonstration of the saf big motor cycles and responsible behaviour of riders ended tragically. it was all over, a group heads were involved in a collision on the ring mo around Paris, and 25 injured, four severely.

"It's always the same of the motor cycle fan mented bitterly yesterdo minority does something and discredits all the A pity, because our dem tion was a resounding su

Barring the deafening of thousands of exhaus fumes, the sirens and and flashing headlamps punctuated this night ri angry motor cyclists' stration had gone pea enough, thanks to the tions and precautions ta the organizers, the Asso of Independent Motor (AMI).

The cavalcade was e by hal fa dozen amb and a fec police cars. A helicopter hovered ab Police dispatch riders shepherded it across th crossings, for it su ignored all traffic lights of ways, and bus lan hoged the whole breadt streets.

The organizers wer gratulating themselves sucess of the whole a 2 am. M Jean-aJcques B secretary-general of th was shocked out of h placency by reports of t collision.

Ami officers are dow dumps, even thoug Ministry for Youth an has practically disow Gerondeau, and said th no question of the Gov baning the monsters and above.

Rampage by wildlife defenders

From Our Own Correspondent
Rome, Sept 24

A series of well planned attacks in Bologna, some with fire bombs, have marked the birth of new conspiratorial groups.

The exploits of these wildlife defenders include freeing monkeys fro the zoo and songbirds in people's windows, bombing the statue of King Victor Emanuel II, known for his delight of hunting, daubing the local hunters' association with red paint; and breaking the windows of an animal embalmer said to have been involved in the killing in Sardinia of an example of a rare species of flamingo.

The groups maintain that zoos are nothing more than concentration camps, that every living being needs liberty. They have broken the lock on the lions' cage at Bologna zoo though the animals did not escape

Queries for politicians on Moro murder

From Peter Nichols
Rome, Sept 24

The strain of the aftermath of the killing of Signor Aldo Moro is now looking dangerous for the survival of the Italian Government, which was formed on March 16, the day of the Christian Democratic leader's murder.

This week the investigators of the killing are due to interrogate politicians who have been making statements on the affair. They include Signor Bettino Craxi, the Socialist leader, who apparently gave a version of the background of the murder to M François Mitterand, the French Socialist leader, critical of the behaviour at the behaviour at the time of the Christian Democrats and the Communists.

Senator Vittorio Cervone, a Christian Democrat and one of Signor Moro's friends, who maintains that the terrorists intended killing Signor Moro from the beginning an dso discredits the Socialist view that an effort should have been made to win his release, will also be questioned.

Signor Giulio Andreotti, the Prime Minister, repeated his belief this weekend that his Government and its parliamentary allies did well in refusing to negotiate with Signor Moro's captors. He made the point that the Government's allies all agreed on the official policy.

He was criticized today by the Communists, not on the Moro issue but on the elleged shortcomings of his Government in supplying the lead necessary to help the country out of its crisis.

The Republicans say that if the Treasury Ministry's three-year plan for facing economic problems is not properly applied, they will move into opposition. At the same time, they attack the Communists for what they believe to be a return to ideological rigidity.

Roses at Dachau: Cardinal Stefan Wyszynski stands with a German girl of Polish descent during prayers in the Dachau memorial chapel. The Polish Primate also laid a wreath of roses on the site of the former concentration camp where 10,000 Poles, including 858 priests, perished (Patricia Clough writes from Bonn). In a sermon in Munich Cathedral the 77-year-old Cardinal urged Poles and West Germans to live together as good neighbours. His visit is the climax of a long process of reconciliation between the Polish and West German Catholic churches after the horrors of the last war.

Government gives way t Spanish police solidarity

From Harry Debelius
Madrid, Sept 24

The Government backed down here this weekend as Spain's police forces baulked at an attempt to silence outspoken right-wing police officials.

In the latest round of the struggle to reform the Franco-trained police forces, the Professional Police Association (APP) expressed public support for recently disciplined officers, confirmed them in their offices as leaders of the association and reiterated its adherence to a communiqué which led to the disciplinary measures.

It also said it would fight the Interior Ministry's action through legal channels. The police alleged that the Government misinterpreted the communiqué by saying it was disrespectful of institutions such as political parties and trade unions.

The Government replied meekly. It said in a statement that if the police offic really not intended such institutions, "the which led the Interior to take action again members of the boar APP . . . no longer exi "the position of the contributed to an e tension at this time".

The Government did however, whether the ments and dismissals revoked. In another ment a terrorist booby-t the Basque city of killed a policeman and four others yesterday e

It was the escalating war, with policemen ferred targets that led issuing of the original versial communiqué Police Association last That communiqué accu Government of "weakne criticized the policy of criminate" pardons a nesties.

Napoleonic relics damaged in raid on admiral's home

From Our Own Correspondent
Paris, Sept 24

The Corsican family home at Ile Rousse of Admiral Antoine Sanguinetti, the Socialist brother of M Antoine Sanguinetti, the Gaullist leader and former minister, was partly destroyed by explosives early yesterday. No one was hurt but many family heirlooms, including part of the admiral's collection of Napoleonic relics, were damaged.

Though it did not claim responsibility, the explosion appears to have been one of four on the same night caused by members of the anti-autonomist and nationalistic movement, Francia, a clandestine organization which recently announced its intention of reverting to violent action after a lull of several months.

What singled out Admiral Sanguinetti for its attentions was his participation last Sunday in a demonstration in Bastia against the continued stationing of the Foreign Legion in Corsica, following several incidents with deserters, and his support for a far reaching degree of regional autonomy for Corsica.

Though he has not identified himself with the autonomist movements in the island, the admiral who was compulsory retired for criticisms of Government defence policy, is suspected of being an autonomist sympathizer.

Bombs and acid thrown in Brest demonstrations

Brest, Sept 24.—Police used tear gas last night to disperse anti-nuclear extremists in this port city after a mass protest against plans to build a nuclear power plant at Plogoff in southern Brittany.

About 20,000 people took part in the protest march. The demonstrators simulated a radiation disaster by lying down in the gardens outside the city hall. Most of them then dispersed by about 500 masked and helmeted extremists attacked the local electricity board headquarters with stones, fire-bombs and bottles filled with acid, police said. Five or six people were injured, according to the organizers of the demonstration.—Reuter.

Lisbon promotion

Lisbon, Sept 24.—Dr Gonçalo Caldeira Coalho, aged 59, Portuguese Ambassador in London at the time of the 1974 revolution, has been appointed Secretary-General of the Ministry of Foreign Affairs, the most important post after that of the minister.

Italian marq kidnapped on his farm

From Our Own Corresp
Rome, Sept 24

Three armed men ki the Marchese Bernardo yesterday on his far Tropea in Calabria.

He is a member of owning family and is with two daughters. Th daughter, Irene, aged with her father when kidnapped.

The Marchese's u reported to be owner o near Tropea where Alunni, the convicted t spent part of the Signor Alunni is se sentence for illegal po of firearms and is susp having been involved in napping and murder Moro, the Christian D politician.

No evidence has eme connect the terrorist w Marchese.

Two die in r accident

Lisbon, Sept 24.—A two people died and mo 50 were injured las when the Oporto-Lisbon crashed into the platf Taveiro, outside Coimb last five carriages ove including one carrying

During the night Pr Eanes and Senhor No Costa, the Acting Prim ster, went to the scene crash and spoke to the

Mr Gromyko to visit France next month

From Our Own Correspondent
Paris, Sept 24

Mr Andrei Gromyko, the Soviet Foreign Minister, will pay an official visit to Paris towards the end of October, Mr Stefan Tchervonenko, the Soviet Ambassador to France, announced when he left the Elysée Palace after a meeting with President Giscard d'Estaing.

The Ambassador said he had given the President a personal message from President Brezhnev, which was described by the Elysée as important. The message arose from a meeting which the ambassador had with President Giscard d'Estaing in July.

Mr Tchervonenko said Mr Gromyko's visit would "help improve good relations between the two countries". This is an implicit recognition that they are not what they should be.

In fact, since the beginning of last year, and particularly since the public condemnation by the French Government of the trial of Dr Yuri Orlov, the Soviet dissident, they have been under a cloud. The Kremlin described the French reaction as interference in Soviet internal affairs.

Soviet criticism of France's intervention in the Shaba province of Zaire prompted the French Government to protest officially in Moscow.

A further source of friction has been President Giscard d'Estaing's plan for disarmament, which he submitted in person to the special session of the United Nations in May. The Soviet Government chose to regard this as directed against itself.

The rift in Franco-Soviet relations has affected trade between the two countries. Soviet orders in France dropped from 7m francs (£800,000) in 1976 to 2m francs in 1977.

President Giscard d'Estaing is known to believe that the somewhat defensive phase provoked by the human rights campaign in the Soviet Union is on the wane. Détente with Russia remains an intrinsic part of French policy, and the time has come in his view to mend the fences between the two countries.

Protest block main line

Figueras, Spain, Sept Hundreds of passengers a sit-in on a railway lin this northern town yeste protest against safety con on Spanish railways sources said.

The passengers, migrant workers, jumpe a train taking them to after its brakes failed rolled two miles backwar sources said.—Reuter.

…greements at Camp …avid approved … Israeli Cabinet

…lichael Knipe
…em, Sept 24

… an eight-hour session … the Israeli Cabinet ap… the Camy David agree… by 11 votes to two, with … ministers absent. This … means that the Cabinet …d, in effect, the stipula…d down by Egypt that …wish settlements in the …peninsula must be dis…l.

…opposition Labour Party …ted to back the Camp …greements, by 221 votes … with four abstentions. …he Knesset meets later …ek to endorse the agree… and thus the dismantling … settlements, a large …y in favour seems …

…ecision to dismantle the …ents is causing many of … legislators considerable …, however. It will be the …me any recent Jewish …ent has been willingly …ed and it clearly causes … heartsearching right …the political spectrum. …al members of the … apparently voiced … disquiet at the prospect … being won over by the …nts of Mr Begin, the … Minister. The two dis… were Mr Yigal Hurwitz, …ister of Industry, Com… and Tourism, and Mr … Shostak, the Minister of Health, the representatives in the Cabinet of La'Am, one of the five factions in the Likud which heads the ruling coalition and perhaps the most fervently nationalistic.

The three ministers who were absent were the representatives of the National Religious Party, whose executive is to meet tomorrow to decide the attitude it will adopt in the Knesset debate. The party is deeply divided between its doves and hawks.

In voting to support the Camp David agreements the Labour Party attempted to salve its collective conscience by calling on its representatives in the Knesset to do everything possible, within a parliamentary framework, to avert the evacuation of the settlements.

This is not likely to be much, as the Israeli delegation to the summit meeting has made it quite clear that the whole of the peace agreement is dements being given up.

Mr Begin and his supporters are understood to have argued in the Cabinet that there is no connexion between the agreement which Israel and Egypt will conclude and those concerning other fronts. They maintained that Israed and Egypt were heading towards "a true peace", which involved extreme concessions by both sides.

Supporters of settlers arrested in clashes

Jerusalem, Sept 24.—Several members of Israel's ultra-nationalist Gush Emunim movement which opposes the Camp David agreement were arrested last night while demonstrating outside the home of the Minister of the Interior, Mr Yosef Burg, here.

Earlier, dozens of demonstrators had gathered outside the *home of Mr Menachem Begin*, the Prime Minister, where they were contained by police as they said prayers and intoned religious chants... But then a breakaway group headed for Mr Burg's home.

Clashes with police developed and several demonstrators were arrested.

Early today Israeli soldiers evicted another group of Gush Emunim squatters from an unauthorized settlement on the occupied West Bank. It was the *second time in three days* the squatters had succeeded in reoccupying the settlement

The Gush Emunim movement believes Jews have the right to settle anywhere in their biblical homeland.

On Friday, a Jewish woman evicted from an illegal West Bank settlement by Israeli soldiers gave birth to a son a short time later with the help of an Arab doctor, Israeli authorities reported today.—Agence France-Presse and Reuter.

Patriotic Front ready for talks if no 'duplicity' by Britain

Mr Mugabe says Rhodesia peace still possible

From Lawrence Pintak
Maputo, Sept 24

Mr Robert Mugabe, leader of the Zanu guerrilla organization, says a negotiated solution to the Rhodesian conflict remains possible, but "dishonest" manoeuvrings by Britain and the United States could destroy any chance of peace.

In an interview, Mr Mugabe—who with Mr Joshua Nkomo heads the militant Patriotic Front—accused Anglo-American negotiators of attempting to split the alliance and arrange a deal between Mr Nkomo and Mr Ian Smith, the Rhodesian Prime Minister, which would leave him out in the cold.

Dr David Owen, the Foreign Secretary, and Mr Cyrus Vance, the United States Secretary of State, were directly involved in setting up the August 14 meeting in Lusaka between Mr Nkomo and Mr Smith, he said. "I was informed the British and Americans were being briefed about the progress being made in getting us and Smith together", he added.

Mr Mugabe: "Responsibility rests with Britain."

Mr Mugabe was not present at the Nkomo-Smith meeting, but was later briefed by Brigadier Joseph Garba, the former Nigerian Foreign Minister.

"When the Nigerians were briefing me on the meeting, Owen was glued to his telephone", he said.

The Zanu leader claimed Anglo-American efforts to arrange an all-party conference on Rhodesia were merely a smokescreen to cover covert attempts to bring Mr Nkomo and Mr Smith together.

The Western motive was to establish a government in Salisbury which London and Washington could "dominate", continuing their "neo-colonialist" attitude towards the breakaway British colony.

The only reason the attempt failed was that Mr Nkomo realized what they were doing and refused to return to Salisbury without Mr Mugabe.

Nationalists in both the Zanu and Zapu camps were convinced Mr Nkomo, the Zapu leader, would have been discredited, as they believed the three internal black leaders had been, thus weakening the Front's attempt to unseat the Salisbury Government through force.

Mr Mugabe claimed that the open split which developed earlier this month between the two wings of the Front was actually only a temporary disagreement, and that the dispute was misinterpreted.

"We talked over the conflict in Addis Ababa (earlier this month), and there are absolutely no differences", he insisted.

The Nkomo statement that the chance of an all-party conference was "dead and buried" came in response to the Rhodesian Prime Minister's declaration of martial law, but was made "against the background of the agreed position of the Patriotic Front", Mr Mugabe said.

The organization remained ready to hold talks with Britain "as the colonial power", so long as they were arranged by London, and so long as Britain did not try to merge the Patriotic Front with the three internal black leaders.

The responsibility for beginning new talks, he emphasized, rested squarely with Britain. If they continued their "duplicity" and "dishonest behaviour", there could be no peace.

Mr Nkomo tells Britain to 'keep out'

By David Spanier
Diplomatic Correspondent

Mr Joshua Nkomo said yesterday that the Patriotic Front would continue to exist and would intensify its fighting against the security forces in Rhodesia, and that he was not prepared to attend a conference as the British Government was urging.

"An *all-party conference* is dead", Mr Nkomo said, and added that there was no difference of opinion on this question with Mr Mugabe, his co-leader in the Patriotic Front.

Mr Smith, the Rhodesian Prime Minister, had claimed that 350 people were killed in one week and 700 of his (Mr Nkomo's) supporters in Zapu had been arrested. "Who knows who those 350 people were. No one knows who they are. Are they still alive or not? That is the question".

"Under those circumstances, we can't go back to those savages for more talks." The Patriotic Front intended to fight the war to the end.

"We do not want Britain to intervene. We don't need the British. We don't want to be recolonized by Britain. We are doing it ourselves—so keep out."

Asked what would happen if Mr Smith decided to end the rebellion and return to legality, Mr Nkomo replied: "Don't talk about that. What we need is a settlement. It is for the people of Zimbabwe to decide."

Mr Nkomo, who was speaking on a BBC Radio Four phone-in programme yesterday, said if the British Government had been honest and sincere the Smith regime would not be there now. It had been sustained by the action of the British Government.

There would be no election this year, Mr Nkomo added. Therefore there would be no *independence by December 31.* He hoped, however, that the whole problem would be solved

Stiff upper lip in US toward Arab coolness

From Patrick Brogan
Washington, Sept 24

The Americans are putting on a brave face on to the lack of enthusiasm shown by the Arab world for the Cap David agreements. Mr Zbigniew Brzezinski, the President's national security adviser, said on television this morning that he hoped that as the negotiating process got under way, it would become possible for Jordanians and moderate Palestinians to join in.

This is the line that has been followed here since the agreements were signed a week ago. Every rebuff from Saudi Arabia or Jordan, and every conspicuous failurt to offer support by such staunch allies as Morocco and Sudan, has merely led to repeated assertion of faith in ultimate success.

Mr Brezezinski said: "Our expectation is, that as the process begins, it will create a more felicitout circumstances" permitting moderate Palestinians to participate.

President Carter has been campaigning around the country and dealing with other matters but he has found the occasion to say much the same thing.

In a speech yesterday he expressed his optimism of the long-term chances for peace but admitted that King Husain's initial refusal to cooperate would make the negotiations much more difficult.

23 wounded in Beirut night shelling

Beirut, Sept 24.—Syrian troops fired more than 450 rocket and mortar shells into two Christian areas of Beirut today in an escalation of their offensive against strongholds of Israeli-backed Christian militants.

At least 23 people were wounded, five critically, in the pre-dawn bombardment of the capital's exclusive Badaro quarter of the middle-class suburbs of Hadath, Christian sources said.

The latest causalties brought the number of caualties in the *three-day Syrian offensive to* three dead and 50 wounded.—UPI.

Mr Moi is sole candidate for Kenyan presidency

From Charles Harrison
Nairobi, Sept 24

The acting President of Kenya, Mr Daniel Moi, is the sole candidate for presidency of the ruling Kenya African National Union (Kanu), in succession to President Jomo Kenyatta. He is thus the only candidate for the national presidential election, which must be held within 90 days of President Kenyatta's death on August 22.

Mr Moi presented his own nomination papers yesterday at party headquarters here supported by a large group of ministers and other party *leaders. Acceptance of his nomi*nation at the special delegates conference of Kanu on October 6 is a foregone conclusion and the party will then present him as sole candidate for the presidential elections.

Once he becomes substantive President of Kenya, Mr Moi may appoint his own vice-President and make changes in the Cabinet.

He also then acquires full powers of detention. But Mr Moi gave a public assurance on Friday that he would use these powers only as a last resort in the case of a threat to national stability.

The *Nairobi Times* today welcomes this statement and *suggests that Mr Moi should, after* being sworn in, release those now in detention.

…crimony at Damascus summit

…ued from page 1

… President Sadat in a …tration that was as … as it was allegedly …eous.

… Egyptians are privately …ing concern at the reac… other Arab states and … the recently muzzled …ion *has been gently* … its disquiet.

…seismic shocks delivered … peace agreements pro… in America last week …ar from died down in …ab world. While Egypt …s weekend preparing to … an envoy to Geneva to … to King Khalid of …rabia some finer points … Camp David agreement, …ussain of Jordan told a … conference in Amman …s government had been …*red" by the news of* … Israeli-Egyptian peace …

… King predicted "very … repercussions" if … was to sign a separate … with Israel, and said …e whole Camp David …ent was unacceptable …an without "substantial changes". His country would not bargain over an inch of Palestinian territory.

Neither Mr Vance nor President Assad will have missed the inference that if substantial changes *are* made in parts of the Camp David accord, then its acceptability might become more apparent to the *Jordanians.*

Similarly Saudi Arabia, though it has voiced its criticism of Camp David, has made it clear that it will not interfere with Egypt's decision to try to regain its own territory.

Stripped of their rhetoric, the resolutions that were made public after the rejectionist summit, fall into five categories:

E. An economic, political and diplomatic boycott of Egypt and an attempt to encourage "*progressive and nationalist forces*" (ie, Egyptians opposed to Mr Sadat) to take over the governmmmmmment.

T. The removal of the Arab League headquarters from Cairo and the establishment of a new league if this is not done.

A. Closer ties with the Soviet Union and other communist countries, as a warning to the United States.

C. a visit to the Soviet Union by President Assad to consolidate opposition to Camp David.

L. The setting up of a joint political and military command, comprising Syria, Algeria, South Yemen, Libya *and the PLO.*

WHile these points may reflect a surface glamour for the radical Arab states, they are not quite as dramatic as they seem at first sight. At themr last summir, for example, the rejectionist states talked about isolating Egypt—but then took no action. And Syria will be the last of the Arab countries to let either the Soviet Union or likeminded Arab neighbours to have any real say in its policy-making.

Thus, the very call for a united opposition to Camp David will only serve to emphasize the impotence of Mr Sadat's enemies. Indeed, the call for Egypt's isolation, if it is not heeded by every Arab state—and it will not be—will only further divide the Arab world.

Newspaper finds reasons for apartheid at meal times

From Nicholas Ashford
Johannesburg, Sept 24

Black people in Johannesburg do not on the whole want to eat meals in restaurants which are reserved for whites, according to a survey published in the Afrikaans newspaper *Die Vaderland.* They prefer to eat in the open or else to kick a football around during lunchtime. Therefore, the survey concluded, it was not necessary to open restaurants in white areas to people of all races.

The question of who eats where is a matter of consuming interest to many white South Africans. As the law stands, all restaurants in white areas are for whites only, except in a few international class hotels where blacks are allowed the privilege of eating next to (or even at the same table as) Europeans. Elsewhere it is a criminal offence for a restaurateur to seat a black person at a table, even if his white patrons have no objection.

At present there is one blacks only restaurant in central Johannesburg, a plush establishment which caters for black executives.

Recently, a number of eating establishments in Johannesburg have been quietly turning a blind eye to the law. Like many members of the business community, restaurateurs have realized that the colour of the money in a person's pocket is the same whatever the colour of his skin. Black customers can now regularly be seen in at least a dozen white restaurants and there have been hardly any complaints.

However, the Government, which his set up a special Cabinet committee to look into the question of the "crowding out" of whites by blacks in desegregated places such as parks, zoos and libraries, has now taken action to stop this trend. A week ago it rejected 15 applications by leading Johannesburg restaurants for permits to serve meals to people of all races.

However, the newspaper did not quote what blacks had to say. Had it done so, it might have had to eat its own words.

OVERSEAS

Record Soviet harvest likely if crop not spoilt by inefficiency

From Michael Binyon
Moscow, Sept 24

The Soviet Union appears to be heading for a record grain harvest this year, but difficulties in bringing in the crop and a lack of drying machinery and storage space may reduce the final total of usable grain.

Senior Soviet officials and reports by inspection teams from the United States Department of Agriculture point to a total figure of at least 220 million tons. This would be a considerable improvement on last year's disappointing figure of 195,500,000 tons, and could save the Russians almost $1,000m (£500m) in grain purchases from abroad.

The record of 223,800,000 tons was achieved in 1976. The present plant calls for 220 million tons this year, and this will probably be surpassed.

President Brezhnev acknowledged in Baku on Friday that the harvest was good. But he was careful not to exult, reminding the country that the final stage of the harvest was always the most difficult. He does not want any slackening of effort which might greet the forecast of a record.

He touched on the factors which have often hampered Soviet achievements in bringing in the crop: the need to mobilize efficiently the huge labour force needed in the fields, the difficulties of transporting the grain and the difficulties of preservation and processing.

"Every harvesting machine, lorry, tractor, every purveying centre, every processing enterprise must work literally round the clock and with the greatest efficiency", he said.

The Russians publish few detailed statistics of the harvest and *Izvestia* said simply last week that it was 88 per cent complete. But the Americans, who send a task force over here on a monthly inspection to assess the Russians' probable grain purchases, have a more detailed breakdown.

They estimate that most of the harvest has been completed in the European part of the country. The Ukraine is the Soviet Union's granary, and what remains is in the newer grain-producing areas of western Siberia. In spite of the very rainy weather in recent weeks, a large proportion has already been threshed.

The wetness of the crop could cause problems in drying and bacterial disease during storage; so the Americans believe the Russians will still need to import about 16 million tons, of which 11 million will come from the United States.

This compares with their total imports this year (which runs, according to the grain agreement, from October, 1977 to the end of this month) of about 23 million tons—14,800,000 tons from the United States.

A good grain horvest is essential to the Soviet economy. The Russians have always been short of animal feed grain which in turn has severely hampered livestock production.

A good harvest will also mean the Russians can release more of their hard currency, now in short supply, to buy industrial and consumer products from the West.

Police fire to disperse Iran funeral demonstrators

From Tony Allaway
Teheran, Sept 24

Police had to fire into the air to disperse demonstrators in the religious town of Golayegan, central Iran, after a funeral ceremony, newspapers reported today.

The demonstrators broke bank windows and shouted slogans against the Shah yesterday, the newspapers said, in the first reported outbreak of rioting since martial law was imposed on 12 cities two weeks ago. Police said some arrests were made.

The funeral was that of the local religious leader, Sayed Mehdi Golpayegan—the family was named after the town—who was killed in a car crash on Friday on the way to the earthquake-stricken town of Tabas with relief supplies.

A new press law has been published by the government which, for the first time, guarantees the right of newspapers to criticize virtually anything except the monarchy and Islam. But the Bill also appears to place restrictions on who can publish or edit newspapers.

"Criticism of political, administrative and social policies by newspapers and periodicals does not constitute an offence", the Bill states. It adds that except in cases of unlawful articles the press is not obliged to disclose its sources.

The Bill focuses on those controlling newspapers by stating that the person actually responsible for the newspaper, usually the publisher, must hold a bachelor of arts degree. If the publisher has no such degree, the editor must be so qualified or be able to show sufficient journalistic qualifications.

Buried babies found alive: Rescuers found seven people, including two infants, alive beneath the rubble of Tabas almost a wek after the earthquake struck eastern Iran, rescue officials reported today.

The infants, a five-month-old boy and a year-old girl, were found on Friday, the officials added. The boy was uncovered by a rural worker, who is reported as saying that the boy was lying with his dead mother whose arm was wrapped protectively around him.

Residents of Esteli leaving the battered city after its recapture by the National Guard.

Nicaragua economy near to collapse as general strike continues

From Stephen Downer
Managua, Sept 24

The commercial centres of cities such as León, Masaya and Esteli lie in ruins in revolution-torn Nicaragua. The economy is close to collapse as well.

Economists are viewing with concern the high price paid—human life and suffering apart—for the National Guard's re-establishment last week of a precarious control.

General Somoza's presidency has so far survived a national rebellion, which began late last month with an attack on the National Palace here, by using bludgeoning tactics which terrified most of the population and displaced thousands. Whether he will be able to survive the resulting economic crisis, aggravated by a continuing general strike, remains to be seen.

"Somoza will not leave for any political or military reasons", an American banker said. "If he goes, it will be because of the economic situation."

With foreign exchange reserves down to $55m (£28m), the Government is known to be short of money. Lanica, the state airline, in which General Somoza owns an important share, telephoned all the travel agencies in Managua last week asking for cash to pay its employees.

By the end of the year, gross foreign exchange reserves will have fallen to $40m and will have been wiped out by next year, according to reliable economic forecasters. The foreign debt is about $1,000m.

In an attempt to halt the flight of capital, the Government imposed foreign exchange controls on September 11, limiting adults to $5,000 a year.

"But there are loopholes in the regulations", a British businessman said. "The biggest is that the same people who are imposing the regulations are the most corrupt."

Washington: Conservative military governments have rejected United States-Venezuelan proposals at a meeting of foreign ministers of the Organization of American States for an immediate investigation into allegations of atrocities committed by the Nicaraguan National Guard.

Military governments such as those of El Salvador and Honduras also turned down proposals that the organization should mediate to end the bloodshed in Nicaragua. They said the OAS could not intervene in Nicaragua's internal affairs.—Reuter.

Tribesmen threaten war if Pakistan ignores claim for independence

From Richard Wigg
Quetta, Sept 24

A Baluchistan guerrilla leader has given a warning that unless Pakistan's military regime negotiates at once on the nationality issue the armed struggle for self-determination will break out again in the wild tribal areas bordering on this country's long western frontiers with Afghanistan and Iran.

Under Mr Bhutto, the Pakistan Army fought to a virtual stalemate a stubborn insurrectionist movement in mountainous Baluchistan between 1973 and last year.

According to foreign observers, more than 5,000 Baluchi hillmen turned guerrillas were killed as well as civilians. There were at least 3,000 casualties in the Pakistan Army and Air Force.

A strictly controlled local press kept the extent of the fighting largely unknown to the rest of the world.

General Zia ul-Haq announced an amnesty early this year, gradually freeing political figures like Mr Ghous Bizenjo, a former Baluchistan governor, who was among the accused at the Hyderabad separatists' trial along with Pathan leaders from the North-West Frontier province.

In return, they have been trying to persuade the tribesmen to lay down their arms. Most guerrillas, however, have either gone underground in Baluchistan or crossed into Afghanistan, where there is a large Baluchi-speaking population. The frontier has no ethnic significance.

There are about two million Baluchis in Baluchistan, but they claim to be more than 15 million including those living in Afghanistan and Iran.

Mr Sher Muhammad Marri, a guerrilla veteran, said to be Soviet-trained and only just released from jail, told me today: "The contradictions between the Baluchis' national interests and those of the Pakistan state are more acute today than in 1972.

"There has been no change, we continue to be treated as twentieth-century slaves. The only alternative open to them (the Islamabad Government) is to recognize my nation. Only then will we negotiate.

"Each province must be recognized as comprising a nationality and Pakistan must be a federation of nations if it is not to disintegrate."

With beard, flowing moustaches and baggy clothes, Mr Marri only lacked a long-barrelled rifle to make him one of those typical tribal leaders photographed "with the British agent" last century.

He was angry about the Zia regime's having put only Mr Bhutto on trial for the murder of one politician. "When the army was putting down the Lahore troubles last year and fighting Punjabis that was civil war, but four years of killing, raping, driving off cattle, and burning homes—that's not civil war in Baluchistan", he said, demanding that those army chiefs responsible should go on trial.

The Marri, one of the largest of the Baluchi tribes, have as their hereditary chieftain Sardar Khair Bukhsh Marri

The Sardar, arrested in August, 1973, and released last January, says Baluchistan never had any legal or constitutional rights, only a permanent emergency and martial law.

The provincial set-up under the 1973 constitution was never applied. "When we talked of provincial autonomy we were denounced as agents of Afghanistan, Russia or India. I could have been shot any time, or poisoned, or hanged while in jail", he said.

Provincial autonomy as a first step was now "well behind schedule", he added.

The Sardar was extremely cautious about the offer of President Tarakki of Afghanistan to discuss with Pakistan the Baluchi and Pathan problem.

"If I am supposed to be a 'younger brother' to the Punjabis perhaps a 'cousin' might be a positive factor, but you get nothing given you in this world", he said

The military takeover of Baluchistan had left him, he said, without any real powers over the tribesmen. The Marri country, situated near the Bolan pass, is broken up into different administrative units and the Army is heavily concentrated there against the risk of further trouble from his tribesmen.

"They would like to use me as a stooge", he added. Economically, Baluchistan could easily survive, the Sardar maintained, pointing to the Sui natural gas, which supplies 80 per cent of Pakistan's needs, though none presently serves Baluchistan.

Cambodia plan to double its population

Bangkok, Sept 24.—Cambodia plans to more than double its population to between 15 and 20 million in the next 15 years, Mr Pol Pot, the Prime Minister, told a delegation of the Belgian-Cambodian Friendship Association.

About seven million people lived in Cambodia before the Communist takeover in 1975.
—Reuter.

74 Vietnamese killed by monsoon floods

Bangkok, Sept 24.—Monsoon floods have killed 74 people in southern Vietnam in recent weeks and further heavy rains posed a new threat to the Mekong river rice-growing region, Hanoi Radio reported

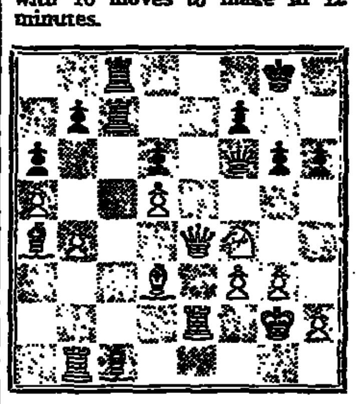
Storms sweeping across parts of South-East Asia also hit North and North east Thailand where four people were reported killed.

Blunders and brilliance add up to another chess draw

From Harry Golombek
Chess Correspondent
Baguio, Sept 24

An extraordinary game in the world championship, in which much good chess was marred by crude blunders and oversights, ended in a draw today.

Korchnoi, playing white, built up an impressive position from the opening yesterday, but then the springs of inspiration seemed to dry up and he spent an hour and forty-one minutes over 11 indifferent moves. This left him in grave time trouble, with 16 moves to make in 12 minutes.



Position after white's thirty-sixth move.

Karpov, playing splendidly during this period, completely turned the tables and established a won game. Then, however, he committed the error of which he has been frequently guilty in this match, of moving much too quickly when under no necessity to do so.

On move 36 he could have played R-K1, attacking the queen. On move 38 he missed a simple win by BxKt. His final blunder was 41..R(B1)-B5. He should have played 41..R-Q1 after which 42..Q-Kt4 ch, K-R1 leaves black with a won game.

The game was adjourned after 41 moves. Overnight analysis showed that though Korchnoi could come down to an ending with an extra pawn, there was no chance of a win.

But he played on today for nearly three more hours, trying in vain to obtain more than a draw.

The score still stands at 4—2 in Karpov's favour. The first player to win six games wins the match.

Extraneous influences, such as Ananda Marga and Dr Zoukhar, seem to be continously interfering with and sapping the concentration powers of the two contestants.

Twenty-fifth game. White Korchnoi, black Karpov. English Opening.

1	P-QB4	Kt-KB3	40 KtxP ch	K-Kt2
2	Kt-QB3	P-K4	41 Kt-K7	R(1)-B5
3	P-KKt3	B-Kt5	42 BxR	RxB
4	Q-Kt3	Kt-B3	43 QxQP	R-B6
5	Kt-Q5	B-B4	44 P-B4	QxQ
6	P-K3	O-O	45 Kt-B5 ch	K-Kt3
7	B-Kt2	KtxKt	46 KtxQ	B-Kt6
8	PxKt	Kt-K2	47 P-B5 ch	K-Kt2
9	Kt-K2	P-Q3	48 Kt-K8 ch	K-B1
10	O-O	P-QB3	49 Kt-B6	K-Kt2
11	P-Q4	KPxP	50 Kt-R5 ch	K-B1
12	KPxP	B-Kt3	51 Kt-B4	B-B5
13	B-Kt5	B-Q2	52 R-K5	R-R6
14	P-QR4	P-KR3	53 P-Q6	R-R7 ch
15	BxKt	QxB	54 K-B3	R-Q7
16	B-B3	QR-Kt1	55 R-K7	RxQP
17	P-R5	B-B2	56 RxP	R-R3
18	Q-B3	KR-B1	57 R-Kt6	RxP
19	Kt-B4	B-Q1	58 RxRP	P-Kt5
20	KR-K1	Q-B1	59 R-QB6	B-Kt4
21	Q-Kt3	B-Kt4	60 R-B1	P-Kt6
22	Kt-K2	B-B3	61 R-QKt1	B-B5
23	QR-Q1	P-B4	62 K-K4	R-R7
24	B-K4	Q-Q1	63 K-Q4	R-QB7
25	Q-R2	B-Kt5	64 Kt-Q5	BxKt
26	PxP	RxP	65 KxB	RxP
27	P-Kt4	R-B2	66 RxP	K-Kt2
28	Q-Kt3	R(1)-B1	67 K-K4	R-R7
29	P-B3	B-Q2	68 K-B4	R-R5 ch
30	Q-K3	P-R3	69 K-Kt5	R-R4
31	B-Q3	B-Kt7	70 P-Kt4	R-B4
32	K-Kt2	Q-B3	71 K-R5	R-R4
33	R-QKt1	B-R5	72 R-KB3	R-Kt4
34	Kt-B4	P-KKt3	73 P-Kt5	R-Kt8
35	R-K2	B-B8	74 P-B6 ch	K-R2
36	Q-K4	K-B1	75 R-KR3	R-KKt8
37	P-Kt5	PxP	76 R-R2	R-Kt6
38	Q-Kt4	R-B4	77 R-R1	R-Kt7
39	RxB	RxR	78 R-R1	R-R7 ch
			79 K-Kt4	K-Kt3
			80 R-R6	R-Kt7 ch

Drawn

Prisoners of conscience

Vietnam: Doan Quoc Sy

By Clifford Longley

Since the collapse of the South Vietnamese regime in 1975, thousands of political prisoners have been detained in so-called "reeducation camps". They can apparently expect to remain there indefinitely until they can give evidence of ideological conversion. One of them is Mr Doan Quoc Sy, a well-known writer.

He was born in Hanoi, in the north, and participated in the struggle for independence against the French, within the Vietminh movement. His novel, *The Reed Forest* is a critical study of the period, and particularly of the Vietminh leadership.

When Vietnam was partitioned in 1954, Mr Doan Quoc Sy joined the exodus south, along with many Roman Catholics and members of the old ruling classes. He worked at Saigon University's department of pedagogy, and travelled extensively in the United States in the late 1960s. He has had more than 30 novels published, as well as many short stories and articles.

Because of his critical views of the Vietminh leadership Mr Doan Quoc Sy was a natural target for reeducation when the Communists took control of South Vietnam. Many of those selected had no direct connexion with the Thieu regime.

The programme of such camps appears to consist of daily manual labour, with political courses and self-criticism sessions in the evenings. From time to time groups of detainees are said to have been rehabilitated, and are released. Conditions in the camps vary, but they are generally spartan. Mr Doan Quoc Sy is held in a camp in the Vietnamese highlands.

UN to rescue stranded refugees

From Peter Hazelhurst
Singapore, Sept 24

Indonesia has given permission for the United Nations to remove an estimated 1,000 unwanted Vietnamese refugees from the cargo ship Southern Cross, which was beached yesterday by its captain on the island of Pengibu, in the Indonesian archipelago, and to accommodate them in temporary camps elsewhere in Indonesia.

Officials of the United Nations High Commissioner for Refugees (UNHCR) said today it was not known whether the Vietnamese, who include about 500 children, had left the ship, but unconfirmed reports indicated that they were camping on the uninhabited, treeless island.

The ship, crammed with refugees who boarded the vessel in the Gulf of Thailand last week, apparently sailed into Indonesia's territorial waters yesterday after it had been banned from entering all ports in Malaysia and Singapore.

The refugees had abandoned their flimsy, small boats in the Gulf of Thailand last week and forced their way aboard the Southern Cross while it lay idle with engine trouble.

A boat carrying officials from the UNHCR, with food, medicine and water, sailed towards the island today.

Malaysia, which has already accepted 14,000 refugees from Indochina this year, announced last week that it would provide the new shipload of Vietnamese with temporary shelter only if a third country granted them entry permits.

During the past week officials from the UNHCR have attempted to persuade the United States, Australia and France to accept the majority of the families who are now stranded on Pengibu island, a small dot on the map midway between Borneo and Singapore.

هكذا من الإهمل

OPERA AND BALLET

CONCERTS

THEATRES

continued on page 6

Extraordinary story

Samuel Beckett
By Deirdre Bair
(Cape, £8.50)

Collected Poems in English and French
By Samuel Beckett
(John Calder, £4.50 and £1)

Biography written during the subject's lifetime always stands on dangerous ground, particularly in the case of a subject so deeply private as Samuel Beckett. And as this book has already aroused the protective resentment of some of Beckett's friends, one must begin by stating its author's credentials.

Deirdre Bair is an American scholar and her book originated as a doctoral dissertation. When she first approached Beckett he was sufficiently sympathetic to say that he would "neither help nor hinder" her research. More than that, he consented to subsequent interviews, wrote letters on her behalf, and allowed her to draw on a mass of personal correspondence. He is said to be an exceptionally trusting man, but it is hard to believe that any unprincipled intruder could have imposed on him to that extent.

Running to 640 pages with another 80 pages of notes, the book has all the appearance of a work of scholarship, and it is no pleasure to me to record that when I made a sample check with two much-quoted British sources, both vehemently dissociated themselves from it. That is worrying, but I think it is outweighed by the fact that Dr Bair is manifestly a lover of Beckett's work and that the story she tells is too extraordinary for anyone, least of all a celebrity-hunting hack, to have invented. I do not care for the author's occasional malicious gossip, but on the whole her book rings true. It is also very readable.

On its last page she quotes Beckett's view that his life is "dull and without interest.... Nothing matters but the writing". Agreed: but one effect of the writing is to tantalize you with autobiographical hints, and the sense that this *most universal* of authors never quite covers his private tracks. As the Opener puts it in *Cascando*: "They don't see what I live on, they say, that is not his life, he does not live on that. (*Pause*) I have lived on it...till I'm old." What is it that we do not see?

In answer, this book supplies the chronicle of a life hardly less bleak than Beckett's fictions. The son of a prosperous Dublin quantity surveyor and an iron-willed mother, he *turned his back* on the family business and a promising academic career to live in Paris and write. "That's how it was and them were the days", he said, recalling the rapid composition of *Whoroscope*, his first separately published work, in *1930*. But that hermetic piece (reprinted in the new Calder collection) was an exception to the painfully unproductive routine of poverty, heavy drinking, sicknesses, grim homecomings to an unforgiving mother, and long hours staring at blank sheets of paper. He was, he said, a "young man with nothing to say and an itch to make", and in spite of his Paris contacts with Joyce and the *transition* group, and periodic escapes to affectionate relatives in Germany, the 1930s were emphatically not the days, if this account is to be believed.

From the external events, or rather non-events, of that period, Beckett appears as a classic example of the "artist type", forswearing all the pleasures of the world in the service of a Muse that failed to descend. Dr Bair tells the story extremely well, resorting neither to hindsight nor *Schadenfreude*, and underscoring the surface narrative with key moments of intellectual change: such as Beckett's discoveries of Geulincx and Dante, and his encounter with Jung's theory of the psychic complex as an *autonomous* character. By the time we reach the publication of *Murphy* and the outbreak of war, a detailed impression has been built up of a man stubbornly pursuing a dead-end, powerless to defend himself, but gradually piecing together the clues that will justify the years of waiting and solitude.

Dr Bair does not overplay the heroism of the war years. Her account of Beckett's work for the Paris resistance shows how thoroughly he earned his Croix de Guerre, but she gives equal attention to the composition of *Watt* during his long months of claustrophobic retreat at Roussillon. One strength of her narrative is that it never allows external events to obscure the main story of Beckett's inner development, and this story reaches its climax in Dublin after the war when Beckett allegedly received the vision that led to the outpouring of *Godot*, *Molloy*, and the other major works of the 1950s. Of this episode, according to one of the book's anonymous sources, Beckett said: "Optimism is not my way. I shall always be depressed . . . but I can now accept this dark side as the commanding side of my personality. In accepting it, I will make it work for me."

The subsequent record of his years of public fame is decidedly less interesting than the account of his creative growth. The material itself is largely responsible for this, but I feel *that Dr Bair has let its main* thread slip through her fingers: that is, Beckett's life in the theatre. He first turned to playwriting "to relieve myself of the awful depression the prose led me into": and once having done so, this most solitary of men developed step by step into a stage director of steely technical authority. The book notes this unforeseeable change in the midst of chronicling family illnesses, reunions, public awards and reclusive flights; but as the conclusive action by which Samuel Beckett imposed his implacable vision of a derisive and indifferent world, this story has still to be told.

Irving Wardle

Rich in atmosphere

Siegfried
Covent Garden

William Mann

In Götz Friedrich's production of *The Ring* at Covent Garden, it is *Siegfried* which shows his approach at its most impressive and most virtuoso. Svoboda's movable dais is put to versatile yeomanly service, and revolves not only to change scene but to reflect changes of mood in the music and the action. It is a production rich in atmosphere.

Some have found the jungle tendrils tiresome: to me, they perfectly suggest the mystery and unpredictability of the dark, sprawling forest in which one may, at any moment, come upon a wild bear or a monstrous dragon, or indeed a sinister old man in a floppy hat, his face half-tanned, half-bony skeleton. How sensible, too, to place the Woodbird above the auditorium dome; the atmosphere is singularly apt, and Yvonne Kenny enhances it with her crystalline tones and clear words.

The cheerful element in *Siegfried* is given its due, certainly in Paul Crook's Mime. When his hammer loses its head, he bangs the obsessive rhythm on any surface about him, and with any tool to hand, so that the pitch changes each time. He enjoys the comic possibilities of cooking to the full, cavorts and cackles when he answers Wotan's first questions correctly. He sings his music vividly and quite accurately (he has often taken the part in the ENO *Ring*) and leaves no doubt that Mime is odious and dangerous as well as amusing.

The comedy is confined to the first half of the work. Even there, Donald McIntyre's Wanderer (in fine, imperious voice) shows little bonhomie, chiefly grim determination, and Zoltan Kelemen stresses the baleful aspect of Alberich as powerfully as at Bayreuth he played up the joviality. In Friday's performance Jean Cox gave his most eloquent singing of Siegfried in the first act; he sounded in less than lustrous, or even strong, voice later in the evening, and his manners were surely too good for the unruly oaf.

In due course he awoke Brünnhilde (how perceptively that moment is staged, the horrors of waking made visible before the joy of seeing daylight and the world on which the text concentrates). She was Gwyneth Jones, lovely and girlish to look at, thrilling and alluring to hear, her voice now in its prime. Colin Davis and his ROH orchestra helped her to make this last scene the climax of a full, marvellously diversified evening's music-drama.

Elisabeth Schwarzkopf
Wigmore Hall

Joan Chissell

London is loyal to its old friends. There were more applicants than seats for the first of Elisabeth Schwarzkopf's two Wigmore Hall song recitals with Geoffrey Parsons on Saturday night, and all tickets have already been sold for next Saturday.

Making a chronological journey through Mozart, Schubert and Schumann before Strauss and Wolf (in that order) after the interval, Mme Schwarzkopf began tentatively with Mozart's sad *Abendempfindung*, her tone and line faltering and her intonation suspect. Perhaps she was overcome by such applause when she first stepped on to the platform. But already in the happy nursery charm of *Sehnsucht nach dem Frühlinge* she was on the road to recovery, and by *Meine Wünsche* she found the reserves of tone to match Mr Parsons's mock-Emperor-like piano accompaniment as well as that glint of mischief always irresistible.

Her triumphs throughout the rest of the programme were nearly always, though not exclusively, in lighter moods. Schubert's *Das Lied im Grünen*, for instance, was all radiance and charm in comparison with her two not entirely elegant, seductive or verbally clear *Suleika* songs. As for *Gretchen* that was finally redeemed, after a forced first climax, by fine dramatic timing towards the end. Schumann in his turn could scarcely have hoped for a more exuberantly or wittily characterized *Die Kartenlegein*. But she also found the personal *message behind his Clara-orien*tated *Lied der Suleika*, and joined in an explisitely tender duet with Mr Parsons in *Der Nussbaum*, still slower, perhaps, than the prescribed Allegretto, but not laboriously so as before.

In that song, as also in Strauss's *Wer lieben will*, there were occasional reminders of the penalties of downward transposition in a few strained low notes. But there was a telling, supernatural gleam to the mother's words in the Strauss and characterization in his three *Ophelia* songs and *Ach, was Kummer* was even more keen. She was unwise to attempt the strange, sustained intensity of Wolf's inspired late Byron settings, *Sun of the sleepless* and *For Music*, but there were endless delights in his *Morgentau*, his *Mausfallen-Sprüchlein* and *Das Köhlerweib ist trunken*. Mr Parsons was constantly at his most imaginative.

Julian Glover, Gaye Brown

Photograph by Donald Cooper

A melancholy double vision

Cousin Vladimir
Aldwych

Irving Wardle

"I wouldn't like you to get the impression that this is England", remarks the courteous Henry, introducing two Russian *refugees to an appalling collec*tion of boorish, drink-sodden, Regents Park parasites. But whatever Henry says, this is the only view of England the visitors get before they turned round and make a beeline back to Leningrad. Showing off a *scrupulously vetted selection* of our worst points, David Mercer's play is like an Intourist trip turned inside out.

Some spectators will no doubt dismiss *Cousin Vladimir* as the disengenuous work of a Leftish romantic with his back to the wall. I do not think it is as good a play as Mercer's *After Haggerty*, but whatever its failings, intellectual dishonesty is not among them. Like all this author's political work, it is the product of a melancholy double *vision, presenting East* and West through the eyes of the opposite camp to the fatal discredit of both; and showing demoralized self-loathing as the *price to be paid for such ideo*logical versatility.

Austin Proctor, Mercer's latest petty bourgeois internationalist, is a former Government physicist who went into alcoholic retreat after inheriting a fortune on the pools. Installed in a palatial residence with a refrigerated garden shed stacked to the roof with drink, he drifts along on a haze of Vodka attended by Henry, a destitute ex-Army officer, with whom he keeps open house for the "hard core" of free-loading failures from the local pub.

When we first meet him, Austin has impulsively broken his routine by flying to Vienna and getting married. This is not a whirlwind romance but a means of saving his Russian wife and her elderly cousin Vladimir from being dumped in Israel: and it was not for her but for Vladimir, a fellow scientist, that Austin made the trip. However, the man he rescued is no Sakharov. Long expelled from his laboratory *Vladimir has unprotestingly* lived on in Russia, and has only sneaked out now to avoid arrest for illegal speculations in knitwear. Self-interested and *unheroic, Vladimir is our* cousin as well.

It is this point of contact that supplies the play's mainspring. If the two Russians are contemptuous of our abuse of political freedom, the "hard core" are no less contemptuous of a Russian who so much resembles themselves. For them, the only acceptable Russian is a dissident whose integrity makes up for the aimless mediocrity of their own lives: and wherever the play expands into generalizations on East and West its dialogue burns with articulate passion and awkward questions.

Unfortunately, the large drama of colliding ideologies has to be carried by a little play about two too polite foreigners being entertained by a bunch of drunks. It is not up to much. It suceeds in conveying the truly infernal atmosphere of dedicated alcoholism; but its characters—failed architect, failed actress and so on—are journalistic constructs who are trundled on simply to be incriminated. The action proceeds in curious jerks, allowing Austin to emerge from his customary *stupor to discourse in eloquent* editorial English. Drink itself, the blocked writer's standby, dictates too much of the action; also monotonously insulting exchanges of truth-telling, another substitute for dramatic development.

Jane Howell's production contains some fine actors unimaginatively type-cast. When will Julian Glover get a rest from playing the male chauvinist pig? Or Susan Engel and Gaye Brown from the kind of parts they could do in their sleep. Mark Bignam's Vladimir is a canny, vigilant presence, his ironies hovering on the edge of accusation, and George Baker's Austin remains master of the household whether stewing in Vodka or snapping into the role of post-Stalinist Diogenes. There is a rather implausible set of reversible brick walls by Hayden Griffin, and some unlikely Balkan English including, if my ears did not deceive me, "It is better to die on your feet than live on your niece".

LMP/Colombo
Queen Elizabeth Hall

Max Harrison

This programme by the London Mozart Players started on home ground and then ventured quite far afield. The Allegro spiritoso of Mozart's "*Linz*" symphony was as vigorously motivated as the Adagio was carefully expressive, yet the conductor, Pierre Colombo, took a rather impersonal view of this work. However, the orchestra produced a healthily full sound and I better enjoyed the final Presto, this being more varied in pace and inflexion.

All the same, there was no doubt that Mr Colombo was better attuned to the 150 years more recent Sinfonietta of Roussel. It was indeed a pleasure from a composer who ought to figure more often in our concerts, this work's angular lines, spiky rhythms and general astringency being most engaging. The Sinfonietta's great energy is compounded by the brevity and concentration with which it is conveyed, and, on this occasion, by the well-focused performance.

Another interesting and rarely heard piece is Mendelssohn's Capriccio Brilliante Op 22 for piano and orchestra, in which the soloist was Marguerite Wolff. Unfortunately, she produced a dry and brittle tone not at all appropriate to the opening gently lyrical Andante section. Nor, although her performance had spirit, could she manage the requisite ease and abandon in the following Allegro part.

The orchestra might have been more sprightly here, too. In fact as so often with Mendelssohn, this music has more power and purpose than many performers currently give this composer credit for.

*The oldest music of the even*ing was from Rameau's *Les Paladins*, of which we heard four dances from the second of two suites extracted from the complete score by Roger Desormiere. Mr Colombo did well here, making the music sound at once graceful and vigorous. There were some nice touches to the orchestration, also, though I am unable to say whether these are to the credit of Rameau or Desormiere.

Finally came Ravel's *Tombeau de Coperin*, which might be described as an ironically updated sophistication of the same kind of music. These evocations received a good performance, too, rhythmically acute and marked by a delicate sense of power.

Chicago SO/Solti
Festival Hall

Stanley Sadie

After appearing at the Proms earlier this month, the Chicago Orchestra were back in London on Friday at the end of their European tour. Under the acoustical microscope of the Fesival Hall their playing showed up as finely as ever. Sir Georg Solti gave us a weighty evening, consisting of two large symphonies, each done in deliberate fashion.

The temper of his reading of Brahms No 3 was set, first of all, by his decision to take the first-movement repeat, lurching us back from A minor to F minor, and giving extra point and drama to what happens the second time round; Sir Georg took full advantage of it, making the development a surging, passionate affair, at least up to that marvellous solo horn interlude. Each idea was fully and generously characterized, yet with no relaxation of the taut line.

Yet with all this rich orches*tral sound—I do not recollect*, incidentally, ever hearing the wind chords so sweetly or truly tuned—there was little suggestion of the asperity, or the austerity, that also belong to Brahms's world. Still less in the Andante, taken very slowly and letting us relish the rich wind tone and the luxuriant string heterophony at the middle of the movement. In the Allegretto, again, it was all beauty of *line (and what a beautiful cello* line it was, too), and to that the sense of movement was heavily subordinated. But Sir Georg can produce fire, and pace, where they are needed, and in the finale there was no shortage of either.

If in Brahms *the orchestra* produced a full and sumptuous sound, they pared it down for Mahler's harsh, pained world. In his first symphony the strings sounded almost lean, the brass sharp and biting. This too was a measured performance, not one innocently to evoke the memories of childhood and rural contentment but rather to stress the darkness of retrospection. The first movement especially seemed distant in tone, as if the perceptions in it were half the stuff of dreams at least until the brilliance of its coda was reached.

The "Frère Jacques" movement too had a dreamy, unending quality as the textures glided seemlessly into one another. It was left for the finale, *with the nine hornists standing* to sound their climactic fanfare—no faint elfland sounds here—to draw on the full virtuosity of this remarkable orchestra, and on Sir Georg's unrivalled ability to harness it to his purpose.

Emigrants
Theatre Upstairs

Ned Chaillet

Last year the unexpected success of the Dublin Theatre Festival was a new play by Peter Sheridan, *The Liberty Suit*. It was based on the prison experiences of the young actor who played the leading part, Gerard Mannix Flynn. It was directed with wit and comprehension by Jim Sheridan for the Project Arts Centre of Dublin.

In what looks like an overt hijacking of the English Touring Company Pirate Jenny, Messrs Sheridan and Flynn have brought a slice of Irish experience to the English stage. Peter Sheridan's new play, *Emigrants*, is a dramatization of the Irish famine, followed by a section tracing the movement of Irish labourers to England.

It is a dark, unrelenting play, with rare snatches of light and humour and Jim Sheridan's direction emphasizes the poetic aspirations of his brother's dialogue at the expense of the occasional jokes. So much is attempted, from a portrait of the English landlords during the famine, to a snapshot of a poor tenant's family and a picture of rebellious natives lying in wait for the English masters (and that just in the first part) that very little is allowed to develop.

Peter Sheridan acknowledges that, supplying a sort of narrator, a scarecrow with no crops to protect, and by playing the part himself. Taking advantage of the massacre of some English landlords to steal their money, the scarecrow follows the wave of emigrants to England and by observing the English ruling classes during the second act he rises to power through their methods.

Mr Flynn, who makes a transformation from terrorist on his own soil to democratically concerned labourer when he moves to England and goes to work digging railway tunnels, is another sort of symbol, but more obscurely defined in the writing. His function at the end of the play, resisting the violence offered by his former terrorist comrade, played by Shane Connaughton, is completely unclear in the otherwise schematic text.

Despite some good characterizations, including Peter Sheridan's scarecrow and Nora Connolly's performance as an Irish maid seduced by the English landlord, no real people are allowed to develop. The intelligence of the performances throughout—and Mr Flynn is once more very good, though he shouts too loud—can do nothing to make the play as anything more than a poetic outline for an argument.

Well balanced and disciplined

William Byrd Choir/
Allegri
Queen Elizabeth Hall

Barry Millington

Considering the regrettable lack of *opportunity to* hear first-class performances of Tudor Church Music outside the collegiate's chapels and cathedrals, it is surprising that not more people were at the Queen Elizabeth Hall on Saturday night *to hear the* William Byrd Choir sing music by their illustrious namesake; it was particularly surprising since the programme included one of Byrd's masterpieces, the Mass in four parts, as well as a performance of Benjamin Britten's third and last quartet, completed shortly before he died.

The William Byrd Choir approaches the late Renaissance repertory in a conventional way: in the perhaps self-defensive words of their conductor Gavin Turner, this means that they do not go in for the "quaint instruments and peculiar voices" of the authentic performance specialists. The ensemble is well balanced and disciplined; no individual vibratos or timbres are allowed to thrust themselves forward, and although the singers are all obviously of no mean talent, there is not the distracting sense of competition to be experienced with some of the prestige choirs.

In the Mass, Mr Turner drew from his group expressively phrased and immaculately poised lines, which expanded and contracted according to the tensions imposed by the dissonance. Of the nine motets selected, one might mention especially the calm resignation of the "Inscorum animae" and the rapt atmosphere of "O magnum mysterium", achieved without the benefit of a cathedral acoustic.

Britten's Third Quartet is related spiritually to both those motets, but more immediately to certain works of his final years, notably *Death in Venice*, *Canticle* and *Phaedra*, the first of these being recalled at the beginning of the quartet's last movement, in a series of quotations. That the work deals with the approach of death cannot be doubted, although the degree of acceptance can seem to vary. The Allegri String Quartet, who were playing on this occasion, preserved well the work's enigmatic *qualities: none of* the movements except the final fifth one is marked with any direction to slow down at the end, and the Allegri whisked the first two movements away quite mysteriously. The fifth *movement* ends most inscrutably of all; here Bruno Schrecker's dogged, ominous tread of a ground bass relaxed into the peaceful irresolvability of the closing chord.

Three revivals for Ballet Rambert

During their autumn tour of Britain, Ballet Rambert will be reviving three works: Lindsay *Kemp's The Parade's Gone By*, Robert North's *Running Figures* and *Zoltan* Imre's *The Accident*.

Other works to be performed include three by Glen Tetley: *Praeludium*, *Pierrot Lunaire* and *Embrace Tiger and Return to Mountain*. There will also be performances of Christopher Bruce's *Ancient Voices of Children* and Leigh Warren's *Nuthouse Stomp*.

The tour starts today at Exeter continuing to Birmingham, Newcastle, Leeds, Cardiff, Mold, Inverness, Glasgow and Oxford.

British premiere

The British premiere of *The Transfiguration of Benno Blimpie* by the young American playwright Albert Innaurato will be given at the Bush Theatre, west London, next Thursday.

Conference Services

Not in Brighton, please

A column on the conference *industry isn't the most* likely place in which to give advice to the leader of the Conservative Party.

Nonetheless, as Mrs Thatcher is now going up and down the country saying what a swizz it is that Mr Callaghan isn't going to have an election after all, I really must say something to her.

It is this: make your speeches as strong as you like, but don't make them in either Brighton or Blackpool.

Tory strongholds though they are, both resorts nonetheless depend, for a lot *of their income on the con*ference business. Had there been an election on or about October 5 as most of the political commentators said there would, then Blackpool would have lost the Labour Party conference, due to be held at the Winter Gardens between October 2 and 6 and Brighton the Conservative Conference due to be held at the Brighton Centre between October 10 and 13.

*For Blackpool in partic*ular, this would have been a serious business, for as Mr *Neil Harrison, the town's* conference officer, told me, a party political conference *brings in about* 5,000 people and perhaps £500,000.

Blackpool could not *afford to lose* custom of this magnitude at such short notice, for although *most of the 4,500 hotels and guest* houses are full until the end of October at weekends *because of the famous illu*minations, they need all the midweek trade they can get. The Labour *Party* Conference runs from a Monday to a Friday.

Mr Ray Lawrence, the secretary of the Blackpool Guest House and Hotel Association, told me of the awful day in 1974 when both the main party conferences booked for Blackpool, were cancelled.

"We prevailed upon our members not to seek redress beyond forfeit of deposits as a goodwill gesture for the conference business", Mr Lawrence told me. If it had happened a second time this year, it might not have been so easy.

Mr Harrison said that there would have been a considerable indirect loss through cancellation, one that would have affected the celebrated *Blackpool* Lights trade.

The conference, he said, *helped focus attention on* the lights because many of the political commentators *would mention the lights,* and television journalists would often deliver their *reports against a back*ground of the illuminations.

In Brighton, the cancella*tion of the Tory conference* would have had a psychological as well as a financial *effect.*

The town's brand new Brighton Centre has just *had its first flop, although* I'm glad to report it was not a conference. It was in *fact a circus, and there* must have been many ratepayers who breathed a sigh *of relief that two of the* next big gatherings in the centre were to have been *two old stalwarts, the* TUC—and the Conservative Party conference.

The Brighton Centre, by the way, was awarded the *"Come to Britain" trophy of the British Tourist Auth*ority earlier this year. Lord Donaldson, Minister for the *Arts, presented the trophy,* the equivalent of the travel industry's "Oscar" to the *Mayor of Brighton, Council*lor Alfred Feld at a ceremony in the Royal Festival Hall in May.

This award is made each year to the organization or individual held to have introduced the year's best new amenity for visitors. The competition this year was between 90 different cultural centres throughout Great Britain.

Since its opening in September last year, the Brighton Centre has staged over forty events attracting about 225,000 people. These have included last year's Labour Party Conference, the first national conference of the CBI and this month's Trades Union Congress.

The centre, a municipal venture, cost about £9.5m to build, and can seat up to 5,000 people theatre-style, making it the largest conference auditorium in the United Kingdom. There are 1,951 sq metres of unimpeded space, and the subsidiary Foyer Hall seats up to 800 people or provides 743 sq metres of space.

The "Come to Britain" trophy shows a wing in flight and is appropriate in that Brighton's director of resort and conference services is trying hard to attract foreign business to his town.

Brighton is cooperating with the BTA, and two airlines, the state-run British Airways and the privately-owned British Caledonian to attract more international visitors.

British Airways, Mr Hewison says, has already done much to bring overseas conferences to the centre by arranging for international conference organizers to visit the resort. The airline has produced a film on the centre and the town in five languages, and is distributing brochures on Brighton's conference facilities to BA offices and agents throughout the world.

The centre is booked into 1985 with over 150 definite and provisional bookings. Of these, 15 are international conferences and exhibitions expected to attract about 56,000 participants.

Ross Davies

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Telephone: Michael Penn 01-836 9824

COLLEGE LEAVER £3,800

A different angle on personnel ... find you ... mainly a ... Organise functions for new staff to meet the partners, answer staff queries and draw up timetables for interviews. Flexible hours, lovely offices and a company who like to make sure you are happy await your secretarial skills. Call Chris Barry, 248 3233. DRAKE PERSONNEL CONSULTANTS.

SEC./ADMIN. TYPIST for interesting permanent position in small MR company, Central London. Must be experienced and intelligent with excellent fast typing and ability to organize and deal with people at all levels. Knowledge of French preferred. Duties include coordinating sec. facilities *for* group based in Geneva with contacts in US and Europe. £3,500 + Ring 01-580 7412.

CORRESPONDENCE is invited from Senior Secretaries with good administrative ability who would like an interesting and challenging position working for our Company Secretary and Chief Accountant. Please quote reference CR/CSS. Personnel Department, Humphreys and Glasgow Ltd., 22 Carlisle Place, London, SW1 1JA.

COLLEGE LEAVERS.—An amazing opportunity for a well educated Secretary to work for the editor of a famous Publishing House, £3,200.—Jaygar Careers, 730 5148, Recruitment Consultants.

BE YOUR OWN BOSS

3 researchers need someone to run their Regent St. Office. Shorthand not essential. Age immaterial. Commonsense, initiative, *flexibility*.

Ring Barbara Beck 492 0727

TOO BUSY TO LOOK FOR A NEW JOB DURING THE DAY

If so read our ads in The Times this week then ring and arrange to come and see us after 5.30 pm.

DRAKE PERSONNEL CONSULTANTS

MOVE AROUND £4,000

Go out weekly to meetings "in situ" wherever this trendy Covent Garden company are in the process of designing offices. Keep the threads of each project together, looking after particulars of fabrics, colour schemes, office equipment etc. In fact follow the design through from start to finish. Phone Annabel Quitman now with your secretarial skills, 734 0911. DRAKE PERSONNEL CONSULTANTS

GRAPHIC DESIGN £4,000

Crazy, zany, creative studio of designers is the setting for a new experience, as Secretary/P.A. to the Director. You'll be on the inside, following the development of new ideas in consumer products and cosmetics packaging. All very exciting, as you find out how the advertising mind works. Call Denise Turner, 734 0911. DRAKE PERSONNEL CONSULTANTS

AUTOBIOGRAPHICAL

Set a new course for your life establishing yourself in publishing—where, after practice checking manuscripts, doing picture research and dealing with letters, you will eventually be accepting or rejecting stories off your own bat! As secretary to the non-fiction editor it's a different scene each day. So, if you have secretarial skills start dialling now, Val Davies, 734 7186 DRAKE PERSONNEL CONSULTANTS

PUBLISH

Deal with queries from bookshops all over the country concerning new releases and best-seller liaise with the sales team and customers as you follow up late deliveries and now orders. Send out catalogues and reviews to potential buyers. If you have sec. skills and can handle a boss that delegates ring Bina Sterling now on 222 0284. DRAKE PERSONNEL CONSULTANTS

WEST END Furnishing Textile Company seek young secretarial type typist with interest towards Press and Public Relations. Some general office experience necessary. Telephone the Sales Director, 629 9393.

MUSIC.—West End Concert Artist Management requires Secretary for Director. Interest in music desirable. Salary by negotiation. Apply Ibbs & Tillett, 124, Wigmore St., W1M 0AX.

COPY AUDIO TYPIST required for small set of Barristers' Chambers. Salary £3,500 negotiable. Phone 01-405 1795 (Mr Bigel).

SECRETARIAL

DISPLAY YOUR TALENTS £4,000++

Do wonderful things for this marketing Manager as you assist him with the running *of his daily affairs* and hold the fort while he is out. Keep tabs on the marketing activity while liaising with clients and dealing with progress chasing. £1 LV's per day and lots of other perks you'll be celebrating every lunch time! Find out more now. I'm Margaret, on 828 8055.

THINGS HAPPEN £4,000

Absorbing and satisfying days are at the head of the schedule when you join forces with this professional team. It's a heady feeling to be appreciated for your independence and secretarial confidence. Tremendous perks too so quickly phone Jane on 828 8055.

TELEX WITH A DIFFERENCE £3,200+

This prestigious company is the place for you. As their telex operator you will be the centre of action. Enjoy a variety of routine—assisting in reservations, etc., it's a helpful atmosphere and there's tremendous travel discounts. Want to know more then call Rosemary on 828 8055.

INSURE YOUR FUTURE £3,500+

You'll enjoy being part of this frantic, and friendly company. Greeting visitors and getting your teeth into such a variety of things. Your imagination and creativity will help design the firms magazine. Liaise with printers and management while learning a new career. I'm Margaret on 828 8055.

Late night opening, too!

CHURCHILL PERSONNEL CONSULTANTS Abford House, 15 Wilton Road, London SW1V 1LT. (01) 828 8055. 01-828 8055/7361

AMERICAN SUCCESS STORY £4,500++

You'll love this outrageous American Law Company. Utilise your secretarial abilities and deal with people in a unique and enlightened environment. As his PA/Sec you'll assist this delightful senior partner in his action-packed day. Call Carolyn now on 828 8055.

FIGURE CONSCIOUS PA TO £4,500

With your leaning towards a marketing/figure type environment, fall into this expanding PA/Sec role. As assistant to the European Controller in the preparation of statistical analysis, keeping records and monitoring the affairs of associated companies. It's your responsibility to arrange conferences, meetings, travel and hotel arrangements. Ring Anne now on 828 8055.

COLLEGE LEAVER—PR

£3,000 + PERKS With your desire to enter this field do it in style! Assist the PR Officer of one of London's most plush hotels. Go far finding true involvement initiating information to the media, running the office on your own, gaining general secretarial experience too! Beautiful offices and free meals await you so carve your career now with a call to Sandy on 828 8055.

BRIGHTEN UP YOUR LIFE £4,500

Your day flies by whilst you play the PA role—own correspondence, lots of phone liaison where you can utilise your conversational French. Be part of the consulting team as you assist the Manager and set things up your way with your sec talents in the background. Ring Sandy on 828 8055.

CHURCHILL PERSONNEL CONSULTANTS Abford House, 15 Wilton Road, London SW1V 1LT. (01) 828 8055. 01-828 8055

COCKTAILS AT £4,000

Tired of your humdrum day? Make a break into something with a difference. This well known brewery will reward your desire for involvement and with your sec skills play a top PA role and revel in the plushest of offices. Super perks and free drinks for lunch. Don't miss out—call Coralie now on 828 8055.

BEARS AND BULLS £4,200+

No—not a section of the zoo—but the intrigue of the money market as you assist this senior director. Be his confidential secretary in this heart stopping world. Your fortunes will be on the way *up, so get in on the ground* floor—inside tips on shares too—so buy up big! Big spender—Contact Coralie now on 828 8055.

GLOBE SEARCH £4,000

Simply your audio/typing will open the doors for you into this whole new world! You'll be assisting in the promotion of manufacturing interests worldwide, researching into health hazards in factories and checking international regulations etc. etc. There'll be plenty of liaison at UN and Government level and limitless scope for you to get totally involved! Make it yours. Call Suzie now on 828 8055.

P-E-O-P-L-E £4,000

They're a swish property company eager and ready to reward your outgoing personality and PA/Sec background. Property becomes even more exclusive when *you get involved in the overseas market*—so expand your horizons and move on in style—Phone May now on 828 8055.

Late night opening, too!

CHURCHILL PERSONNEL CONSULTANTS Abford House, 15 Wilton Road, London SW1V 1LT. (01) 828 8055. 01-828 8055/7361

HUSH-HUSH £4,500+

Your discretion, loyalty and enthusiasm to learn all about the property world will win you this prized secretarial role with these very special consultants. You have the confidence to assist your MD with client entertaining and run the office during his absences abroad? Then call Coralie today on 828 8055.

WAR PAINT £4,000

Take responsibility for knowing the whereabouts and activities of 32 Cosmetic reps.—read on. The Sales manager (Chemist division) of this international company needs your sales and organised personality to be "go between" liaising with reps, sales managers, buyers and the public. Gain respect with your efficient methods of tackling each task and be justly rewarded. Shorthand and typing is all you need so phone Clare now on 828 8055.

TECHNICAL BRAIN £5,000

Convince me of your high motivation and ambition—and I will convince this established and expanding electronics company that you have the capabilities to understand—and debrief—technical—matters and technical people—that with your educational background you can be trained and moulded to appreciate their method of operation. Make your mark in the world by phoning Clare on 802 8055.

YOUR 2ND STEP £4,000

And make it the right one if you are seeking your second secretarial position—this new European operation is being headed by a progressive President who'll make it fun for you to move along with his current secretary—and share in the thrill of his success! 2nd steps with prestige are few and far between so hurry, phone Coralie now on 828 8055.

CHURCHILL PERSONNEL CONSULTANTS Abford House, 15 Wilton Road, London SW1V 1LT. (01) 828 8055. 01-828 8055

WOULD YOU LIKE TO HELP?

Well . . . your audio skills are greatly needed *by* the sales director of this lively Finnish marketing organisation. He is newly promoted, so you'll be helping him sort out his hectic new job, arranging his travel round the U.K. and to Finland and standing in for him in his absence, handling orders and new clients, and his correspondence. You'll need to have initiative and a sense of humour to cope with the varied busy life they offer. So demonstrate that drive by calling Caroline Castel now on 222 0671. DRAKE PERSONNEL CONSULTANTS.

CREATIVE TREAT

Just 1 year of previous secretarial experience can land you a top job as secretary to the MD/Chairman of an Advertising Agency, enjoying the informal atmosphere and terrific sense of humour of this creative team. Assist with admin. and learn to handle personnel. Discount on products. Call Denise Turner 734 0911 DRAKE PERSONNEL CONSULTANTS.

LEGAL PA

£4,000—or what you're worth Plus £1.10 LVs per day and possible STL. A true PA position organising a young company solicitor with all his commitments. Once you know what's going on you'll be dealing with contracts, leases and agreements yourself, so there is plenty of scope for you to expand the job. If you have audio skills, call Mandy Jones 248 3233 DRAKE PERSONNEL CONSULTANTS.

SOCIAL CONSCIENCE?

Help people to help themselves—in this rewarding job, organising services or spastic people. The fun side involves appeal work like attending wine tastings, concerts and exhibitions. Put your secretarial skills to good use from the comfort of your own office. Phone now Maggie Maxwell 734 0911 DRAKE PRESONNEL CONSULTANTS.

TRAVEL COMPANY with offices in SW1 and Baker Street area, need several secretaries to work for Public relations/Travel/Marketing Executives. 18+. £3,300—£3,800. Wright Personnel Consultants. 01-439 6581 or 734 6647.

SHORTHAND TYPIST Secretary for small company, Wandsworth Rd., SW8. Salary £3,600. Contact Mr. Walker, 720 7972.

MATURE SECRETARY required by Bursar of well known private school in Hammersmith. Really good accurate skills, sense of responsibility, plus a flair for dealing with people. Minimum of 4 weeks hols, plus free lunches. To £3,500 pa. Joyce Guiness Staff Bureau. 589 8807/0010.

SECRETARY REQUIRED for Knightsbridge Co. Interesting, responsible position. Lunch provided and other perks. £4,500 AAE. Belgravia Bureau. 589 1921.

CHARITY

Handle the confidential reports for this charity that specialises in finding jobs for ex-offenders. Deal closely with probation officers and social workers as you collate reports, client histories and, if necessary, check for additional de*tails. Use your typing for* recommendations to prospective employers. Use your tact and discretion and you could become a placing officer. Call Bina Sterling now on 222 0284. DRAKE PERSONNEL CONSULTANTS.

ADMINISTRATOR/P.A.

Do you require more from your job than just shorthand and typing If so, this rapidly expanding company in West Kensington is looking for someone who has the initiative and enthusiasm to take control and run their main office for them. You will have loads of opportunities to become totally involved in all aspects of office administration and to keep everything running smoothly. If you think you are ready to run your own show call Pauline Keer. DRAKE PERSONNEL CONSULTANTS 221 5072

MARKETING PA £4,000

Help the Marketing Director with all the advertising and publicity. Book ads and media space. Turn your hand to copy-writing and provide constructive advice on the design and preparation of artwork. A job you certainly don't want to miss if you have some media experience and want lots more scope and responsibility. Call Annabel Quitman immediately with your secretarial skills. 734 0911 DRAKE PERSONNEL CONSULTANTS.

USE YOUR CREATIVE THINKING

As PA to the Managing Director of this top Advertising Company. You will be handling very little actual sec. work so your shorthand will be useful, rather than necessary. (You'll be involved with all the top clients presentations, and have the opportunity to be a true PA and leave those secretarial chores behind.) If you're looking for prospects and negotiable salary call Sandra Gibbons, 221 5072. DRAKE PERSONNEL CONSULTANTS.

AMERICAN BANKS. City and West-End need several Secretaries to Vice-Presidents and Executives. Super offices, switched on atmosphere, great social life: £3,800-£4,250 + 5 per cent mortgages + other fabulous perks. Wright Personnel Consultants. 01-439 6581 or 734 6647.

SECRETARY/PERSONAL ASSISTANT £4,400 negotiable. City. Mature person required for this very varied position which offers more job involvement than the usual secretarial post. Ring Audrey Atkinson, Mantec, Recruitment Consultants 353 1476.

PUBLISHING SECRETARIES. Are you on our books? Covent Garden Bureau, 53, Fleet St., E.C.4. 353 7696.

BI-LING. SEC. with French. Young. Start £3,500.—Belle Staff Agy., 935 0731.

SECRETARIAL

If you are a KNOW-IT-ALL

when it comes to the Music Scene and you have the stamina to keep up with a very busy and well-known A & R Director, this will be just the job for you if you are a first-class PA/Secretary. You'll be involved with all the big names in the Music Business and you'll have to have your wits about you at *all times*. £4,400 neg.

CAMERA, LIGHTS AND YOU

Here's an exciting Secretarial job working for two super Film Producers who are both great fun. You'll be meeting lots of interesting people and you'll have lots of projects to organize. £3,500.

Pathfinders PERSONNEL SERVICES 32 MADDOX STREET, W1 629 3132

SQUASH RACKETS ASSOCIATION

P.A./Secretary to work for the General Secretary in very *busy friendly office*. Salary around £3,750. Own office. L.V's. If you have initiative, flair for organisation and like to feel you are contributing to success . . .

Write with C.V. to: S.R.A., 70 Brompton Road, London SW3 1DX, or ring The Administrator 01-584 2506.

EDITOR'S PA/SEC

Leading Publishing House involved in magazines that are world famous wish to appoint a well groomed, self motivated, PA/Sec. The ability to organize is a must. This is an ideal opportunity for a young secretary or college leaver wishing to embark on a career in publishing. Excellent training and coaching. Age 19. £3,200+.

Call Sandy Robinson 837 9922 Prime Appointments (Services)

URGENT

College leaver or second-jobber urgently required by International oil company off Bond Street, at part of small friendly team. Ideal job for thorough training in this exciting field of exploration. *Sparkling* offices and unlimited coffee. Salary £3,300-£3,500 negotiable.

Phone Serena Smith on 01-402 2235

SKILLED SECRETARIES LIMITED Recruitment Consultants

OIL COMPANY NEEDS RECEPTIONIST £4,000+ £1.05 PER DAY LVS

Needs to be adaptable and articulate arranging bookings for company flats. Greeting VIPs from all over the world. Occasional visits to Home Office and Air Lines. Good accurate typing. Super job for capable person.

Lillian Burchill 629 0111 487 Oxford Street, W.1 (2 minutes Marble Arch Station)

PARTNER OF ESTATE AGENTS NEEDS SECRETARY PA FROM £4,000 + LVS

Interesting position dealing with sales of Supermarkets. Arranging travel and inspections.—Age 25+, 9.30-5.30. Mayfair.

Lillian Burchill 629 0111 487 Oxford Street, W.1 (2 minutes Marble Arch Station)

ARE YOU YOUNG AND TRENDY? SECRETARY PA FROM £4,000 + 30P PER DAY LVS

For charming Solicitor who is a Partner. Occasional slow shorthand mainly audio, legal experience not necessary. Two salary reviews annually Christmas and Summer. 9.30-5.30.

Lillian Burchill 629 0111 487 Oxford Street, W.1 (2 minutes Marble Arch Station)

ARE YOU A NON-SMOKER? FOR THIS ARCHITECT

Who is a Director and needs a Secretary PA. Arranging travel itineraries and personal telex. Competent person who can use own initiative and hold the fort in bosses absence. From £4,000 + LVs.

Lillian Burchill 629 0111 487 Oxford Street, W.1 (2 minutes Marble Arch Station)

T.V. COMPANY NEEDS COPY TYPIST

For this Marketing Department, handling enquiries on air-time. Busy demanding job with lots of involvement. £3,500 + 30p per day LVs.

Lillian Burchill 629 0111 487 Oxford Street, W.1 (2 minutes Marble Arch Station)

CHARTERED ACCOUNTANT NEEDS *SECRETARY PA NO SHORTHAND* £4,500 + LVS

Lot of client contact, maintaining busy diary. Age 25-30, needs to be groomed and articulate and used to working at senior level. Very much a PA job. Shorthand an advantage.

Lillian Burchill, 629 0111 487 Oxford Street, W.1 (2 minutes Marble Arch Station)

TEMPS TEMPS TEMPS

Secretaries, copy typists, audios, and telephonists urgently required for MARBLE ARCH and CENTRAL LONDON AREAS. Phone now Carol Hodgkin on 629 0111 487 Oxford Street, W.1 (2 minutes Marble Arch Station) These jobs are available at any Alfred Marks Branches

ALFRED MARKS STAFF BUREAU

EXPERIENCED SECRETARY (shorthand essential) required by lively architects practice and to look after a partner and his team in attractively designed offices near Regent's Park. Salary to £4,000 negotiable. Please telephone Rosemary Cumming at Richard Sheppard, Robson and Partners, 485 3161.

SEC. to conveyancing partner, with/without shorthand. Legal experience. To £4,500.—Personnel Appointments, 01-588 7921.

SECRETARIAL

COVENT GARDEN £4,000

This grateful M.D. will ensure that you become a vital link in the chain! You will be well rewarded for your adaptability and flair to use your PA/Sec. background arranging his diary, appointments and travel itineries. People contact will play an important part of your day as well. Become part of something fun. Phone me Nikki now 828 8055.

OIL BOOM! £5,000+

You're a top flight P.A. and you want all the responsibility that entails. It's all here—you'll run the Park Lane base as your boss is travelling a great deal. Your maturity, legal interests and P.A./Sec. background will be amply rewarded in these splendid offices. Take off now by phoning Nadia now on 828 8055.

GROUND CONTROL! £3,800

As P.A. to this newly appointed executive, you'll set up the office your way! With your fluent Spanish you'll liaise with clients and companies . . . with your secretarial skills you'll liaise, administrate and organise—take off now—Phone me Sally 828 8055.

RECEPTIONIST WITH A DIFFERENCE £3,400

You enjoy people, making a reception swing, and a little typing for variety! And here there's more than enough room for expanding your own talents and ability to organise—and assist with monthly seminars. Find out how good it is to be one of a successful operating team as a Key Wheel in this friendly company. I'm Nikki. Phone me on 828 8055 today.

LATE NIGHT OPENING TOO!

CHURCHILL PERSONNEL CONSULTANTS Abford House, 15 Wilton Road, London SW1V 1LT. (01) 828 8055. 01-828 8055

ARTY CRAFTY £3,600

In this creative atmosphere your secretarial talents will be nurtured and appreciated. The artistic surroundings and contact with the art world ensures your interest and involvement. As *P.A.*, Sec. to the Exhibitions Officer, help with promotions and exhibitions. Accept responsibility, challenge and good perks. We have designs on your ambitions. Ring Fiona on 828 8055.

MAKE UP! TO £3,700

Utilise your secretarial panache and organise the day for these two lively men! As they are out and about a lot, purchasing cosmetics, you'll be making travel arrangements and liaising a lot with clients, both face to face and over the phone. Set your sights high and one day you could get into purchasing too!! Interested? Then give me a ring. I'm Suzy, on 828 8055.

THAT CERTAIN SMILE! £3,300

Smile—and enjoy your busy day as you meet and greet visitors on this busy reception area. You'll be surrounded by handsome computer, personnel guys too! Be part of the team of girls handling the switchboard and telex. Your bubbling personality is all you need to swing into action. So ring Margaret on 828 8055.

PAVE THE WAY £3,980

The Company Secretary, who is also legal adviser of this large company, is waiting for you to make his day complete. He'll acknowledge your secretarial talents as you provide full P.A./Sec. backup. There'll be some legal work, board meetings, etc., and as much involvement for you as you want! Call me immediately and I'll tell you more. My name is Suzie, on 828 8055.

CHURCHILL PERSONNEL CONSULTANTS Abford House, 15 Wilton Road, London SW1V 1LT. (01) 828 8055. 01-828 8055

PERFECT P.R. £3,500

Get a kick out of being part of an energetic scene. Two young executives need your secretarial assistance with the shorthand and typing and also with their exciting accounts—people not figures!! They like to delegate too so if you like responsibility and a day full of variety pick up the phone now and dial Claire's number 828 8055.

GOING UP £4,000

Get in on the ground floor with this fast expanding company. Involvement and responsibility are here for the taking. With your P.A./Sec. *skills and a go ahead* personality you'll get to the top floor. Sky-high perks too! Press the button to success now phone Nadia on 828 8055.

SMILE PLEASE £3,500

When you meet and greet the delightfull clients for the very important Director of this extra important holding company. Handle the phones, hold the fort and develop your *full* potential here as P.A./Receptionist. Accept this glamorous, exciting post as soon as you call Carolyn on 828 8055.

ACTON ACOUSTICS £4,300++

Incorporate your P.A./Marketing/Admin. attributes and your knowledge of German and become P.A./Sec. to the sound barrier smashing Director of this top West London entertainment equipment Company. *Assist him* to arrange exhibitions and entertain his important clients. There is an immediate pay off when you ring Carolyn on 828 8055.

Late night opening, too!

CHURCHILL PERSONNEL CONSULTANTS Abford House, 15 Wilton Road, London SW1V 1LT. (01) 828 8055. 01-828 8055/7361

THE EDUCATIONAL INTERCHANGE COUNCIL

Invites applications for the posts of

SECRETARY/PA

To the Head of the East European Department and Secretary/PA to the Head of the Schools Department. Salary according to age and experience. Excellent fringe benefits.

Application forms from: The Director, EDUCATIONAL INTERCHANGE COUNCIL, 43 Russell Square, London, W.C.1.

Tel.: 580 9137

DIRECTOR'S P.A.—NO SHORTHAND!

Are you having difficulty getting a responsible job, with no shorthand skills? If so your problems are over, because this rapidly expanding property company, in central London is looking for a young Secretary/P.A., who would like to learn and get involved in all aspects of this interesting business. You can certainly take on as much as you want to, and they will pay you a good salary, even if you are a college leaver. If you have the enthusiasm and would like to work with this friendly group of bodies, call: Pauline Keer, DRAKE PERSONNEL CONSULTANTS, 221 5072.

DISPLAY YOUR SKILLS £4,000

Occasional trips to exhibitions (some abroad) plus making up the Christmas trees for some of London's best known stores plus helping set up a new showroom are all part and parcel of this top secretarial position to the MD. Your organising skills and initiative score full marks. Don't delay, call Maggie Maxwell, 734 0911.

DRAKE PERSONNEL CONSULTANTS

IN PRIVATE SPLENDOUR £4,000

In the palatial, spacious private flat/office of an exclusive clothier, you'll be running a one 'person' show in the absence of the MD who travels frequently. Liaise with reps and shops, organise social functions, luncheons, theatre tickets, etc. Plenty of people contact, and occasional lunches with clients in boss's absence. If you have secretarial skills call now Carol Lee 734 0911 DRAKE PERSONNEL CONSULTANTS.

PARTNER IN CRIME £3,700

No . . . but seriously it's all above board. This 30-year-old senior partner who deals with property valuations does frequently go to court—but that's only because he prepares cases for disputes, tribunal hearings and rating appeals. It's all quite exciting—and you'll be helping him all along the way! With your audio skills call Hazel Turza right away 734 0911 DRAKE PERSONNEL CONSULTANTS.

FIND YOURSELF IN PERSONNEL

They provide full training—you provide secretarial skills. As you assist the Personnel Officer for senior recruitment—mainly on huge overseas projects. Organise medicals and visas. Help relocate overseas applicants and enjoy plenty of people contact in this busy department. Good prospects to personnel officer. Phone Diana Duggan, 248 3233. DRAKE PERSONNEL CONSULTANTS.

RECEPTIONIST PLUS! Small, friendly W.1 Solicitors need *first* class Receptionist able to deal with automatic switch. Varied typing including telex. £3,500 plus p.a. 2 bonuses a year, 4 weeks hols. Joyce Guiness Staff Bureau. 589 8807/0010.

ALWAYS WANTED TO GET INTO THE TRAVEL BUSINESS

Then take this opportunity that is being offered by a leading travel company who have the following vacancies.

Flight Control Assistant with experience Salary neg. Credit Control Supervisor £4,000-£5,500. Reservations Clerk with or without experience VDU experience being useful.

Special Tours Operator, with a little experience of organising trips and tours (shorthand being useful). Salary neg.

If you are interested, then call Sandra Gibbons, 221 5072 DRAKE PERSONNEL CONSULTANTS.

STUDENT CONTACT £3,800

Arrange for the Assistant Director to give talks to students around the country. Later set up interviews for them to join the company and keep track of the outcome. Keep a follow-up file on their progress. In fact, learn all about personnel while enjoying a totally involving job. Good college leavers with secretarial skills. Hurry to the phone and call Chris Barry, 248 3233. DRAKE PERSONNEL CONSULTANTS.

OUTDOOR & EYE CATCHING £3,600

Very lively position getting out and about socialising with clients for the PR Director of Advertising Co. Help to promote exciting new ads for large outdoor sites. Attend film meetings, put clients at ease (the drinks come in handy) and do an absolute minimum of secretarial. It's personality that scores, so phone me now Gwen Tanner 734 0911 DRAKE PERSONNEL CONSULTANTS.

MRS BEETON NEEDS A COPY TYPIST

on a long term temp. basis to type out manuscript and generally assist on the revision of COOKERY AND HOUSEHOLD MANAGEMENT. Editorial experience would be an advantage. The job is office based.

Please apply with full details to: Susan Dixon, Ward Lock Limited, 116 Baker Street, London, W1M 2BB.

TRAINING AND Personnel managers in large N.W.1 Company need a responsible PA, 23+, to organize their training courses, tie up hotel accommodation and book consultants for specialist topics. You will also assume complete control of organizing the in-house language courses. £4,100+ Monica Grove Recruitment Consultants, 839 2186.

MAYFAIR PROPERTY CO. need Secretary 19-ish with some office experience and good accurate skills including some audio, to work with team of young executives. Happy busy atmosphere. Must have good telephone manner. £3,600 p.a.—Joyce Guiness Staff Bureau, 589 8807/0010.

SECRETARIAL APPOINTMENTS ALSO ON PAGE 10

Appointments Vacant also on page 24

SPORT

Tennis

Higueras makes himself at home in Bournemouth's sunshine

By Rex Bellamy
Tennis Correspondent

The sunny and successful revival of the British hard court tennis championships, sponsored by the Inchcape group of companies, had a disappointing last act at Bournemouth. Both singles finals were one-sided and the women's in particular, was commonplace in its quality. Iris Riedel, born in Brazil, became the second consecutive German winner of the women's title when she beat Belinda Thompson, 6—2, 6—1 on Saturday. Miss Riedel did not lose a set all week. She won £2,000.

In the men's final, played yesterday, José Higueras beat Paulo Bertolucci 6—2, 6—1, 6—3. Bertolucci won exactly the same number of games when he was runner-up to Ilie Nastase in 1974. He has never beaten I like Higueras. "He play a game I like very much", Higueras said. "The ball come the right height. I am very confident."

The dark and handsome Higueras won £4,380. He has had a good year winning three tournaments, and every match he played for Spain in the Nations' Cup. He is neither elegant nor adventurous. But he is a model of what can be achieved on clay courts by tenacity and a discretion that—though superficially cautious—produces continual, if small, shifts in the pattern and pace of the rallies.

His technique is laboured, but he is fit and quick, alert and dependable. He rode all the punches Bertolucci threw at him and waited until the Italian made a mistake or was drawn out of position.

Bertolucci, who has a massive torso and legs like trees, is a more facile player with a delightful touch. He struck his best form, for a while, in the third set. But the Spaniard's defences were usually so secure that, in the effort to hit winners, Bertolucci could allow himself little or no margin for error. He paid for that. Nor was it any comfort that many of his drops were put away for winners, often by top-spun backhands. Bertolucci's match with Mark Cox remained, in the memory, the best of the week.

The championships had not been played for more than two years. Higueras said the weather had surprised him, that it was just like being at home in Barcelona. He liked the court surface, too. Both views will surprise Bournemouth veterans who were not present to observe the effects of this year's shift from May to September. That made it possible for the courts to be given a different top dressing: and until the last day, which was dull, the weather was almost perfect. Another pleasant surprise (with reservations about the time consumed) was the informally informative if rambling manner in which the players were introduced over the public address system.

Higueras: "He play a game I like very much."

We may have to settle for a modest entry at Bournemouth: facilities hardly justify a tournament of the highest class. But the championships have justified their reprieve and in some ways improved their reputation. Their success would have been even more obvious in terms of crowds, if centre court seats had not been over-priced.

During the next eight weeks there will be seven assorted events in Britain: the Pernod tournaments at Nottingham and Stevenage, Britain's Davis Cup tie with Australia at Crystal Palace, the BMW women's tournament at Brighton, the Wightman match at the Albert Hall, Slazenger tournament at To[illegible] and the Benson and Hedges at Wembley. These days th[illegible] no full stop to the tennis se[illegible] just an occasional comma.

MEN'S SINGLES: Semi-final: J. Higueras (Spain) beat A. C[illegible] (Italy) beat A. M. Jarrett, 6—[illegible] (Spain), 6—3, 6—[illegible] P. Be[illegible] Final: Higueras beat Bertolucci, 6—1, 6—3.

WOMEN'S SINGLES: Final: Riedel (WG) beat Miss B. Tho[illegible] 6—2, 6—1.

MEN'S DOUBLES: Final: L. [illegible] and R. Thung (Netherlands) b[illegible] Carter and R. Frawley (Aus[illegible] 6—3, 6—[illegible]

WOMEN'S DOUBLES: Se[illegible] round: Miss L. Charles and [illegible] Mappin beat Miss N. Bohm an[illegible] E. Ekblom (Sweden), 6—4, [illegible] Miss J. Durie and Miss A. Hob[illegible] Miss M. Gurdal (Belgium) and [illegible] Simmonds (Italy), 6—1, 4—6, [illegible] Miss Durie and Miss Hobbs be[illegible] Charles and Miss Mappin, 6—2[illegible]

MIXED DOUBLES: Semi-final: R. A. Lewis and Miss Charles [illegible] Bradnam and Miss Durie, 7—5[illegible] Final: Lewis and Miss Charles [illegible] Feaver and Mrs K. Wooldridge [illegible] 5—6, unfinished, title shared.

Athletics

How Bedford steered Shaftesbury to victory

By Cliff Temple
Athletics Correspondent

Eight years ago officials of Shaftesbury Harriers, the North London athletics club, were meeting to decide whether they had enough competitive athletes to participate in even the lowest division of the Southern Counties Athletics League. On Saturday they surprisingly won the Guardian Royal Exchange Gold Cup at Cwmbran in their first-ever appearance in the final of this knockout competition which involves nearly 300 clubs.

Unconsidered for victory by all except their most loyal supporters, Shaftesbury did so without the competitive services of the one man who was able to keep their name in the public eye during the dark days. David Bedford, the former world record holder for 10,000 metres, is not very fit at the moment, but he is a staunch club man and effectively ebullient in building up a team spirit.

On Saturday he was still in the thick of things, urging his team on, peering over the shoulders of officials to get the latest positions in every event, and keeping his own running score ahead of the meeting announcer. "I told everyone who would listen that we had a chance to win", he said afterwards. "This is one of the greatest days of my life, to see Shaftesbury back on top."

The club, which no longer competes in the Southern League but has just won promotion to Division II of the British League, did not exactly inspire confidence in their chances from their progress to Saturday's final. In the Cup's preliminary round in June, they scraped into a qualifying second position by one point, and in the semi-final last month it was only the disqualification of a Haringey steeplechaser which again allowed them to squeeze narrowly into second place, and thus into the final.

Saturday's contest was probably the closest-ever, for although Shaftesbury showed ahead after the first event, the 10,000 metres, which was won by their international, Julian Goater, in 29min 53.3sec, four of the other seven participating clubs were in the lead at some stage of the afternoon, before Shaftesbury finally regained it to win by six points from Cardiff.

The points came from men like Frank Attoh in the triple jump, which he won with 49ft 9½in, their new recruit from Scotland, Angus McKenzie, who was second in the high jump (where Thames Valley's inspired Colin Harris became the latest British athlete to clear 7ft), and a name to watch in Roy Dickens, who beat a good 400 metres field in 48.32 sec. Goater, a glutton for punishment on a warm afternoon, returned later to take second place in the 5,000 metres and thus bring his total of circuits around the Cwmbran track to 37½; his club colleagues were suggesting that his left leg may now be shorter than his right.

The cup winners for the past two years, Wolverhampton and Bilston AC, were unable to overcome the handicap of having so many absentees, and could finish only fourth. For Edinburgh Southern, Allan Wells and John Robson signed off their successful seasons with comfortable victories, although Wells found it hard work sprinting into the wind. Competitively, he was untroubled though, winning the 100 metres in 10.35sec and the 200 metres in 21.24sec, while Robson was content to use his finishing sprint over the last 200 metres to ensure victory in a tactical 1,500 metres.

Stretford AC won the women's Jubilee Cup for the third successive year.

MEN: 100 metres: A. Wells (Edinburgh South) 10.35sec (cup record). 200 metres: Wells, 21.24sec. 400 metres: R. Dickens (Shaftesbury), 48.32sec. 100 metres hurdles: D. Wilson (Edinburgh AC), 14.97sec. 400 metres hurdles: S. James (Wolverhampton and Bilston), 52.8sec. 800 metres: P. Forbes (Edinburgh AC), 1min 50.7 sec. 1,500 metres: J. Robson (Edinburgh South), 3min 50.83sec. 3,000 metres steeplechase: D. Evans (Cardiff), 9min 5.39sec. 5,000 metres: A. Leek (Cardiff), 13min 57.33sec. 10,000 metres: J. Goater (Shaftesbury), 29min 53.26sec. 4 x 100 metres relay: Shaftesbury, 42.28sec. 4 x 400 metres relay: Sale, 3min 16.88sec. Shot: E. Lorier (Edinburgh South), 14.23 metres (46ft 8¼in). Discus: G. Tyler (Sale), 50.72 metres (166ft 5in). Javelin: S. Osbourne (Wolverhampton and Bilston), 74.10 metres (243ft 1½in). High jump: C. Harris (Thames Valley), 2.14 metres (7ft ¼in, Cup record). Long jump: T. Wade (Thames Valley), 7.02 metres (23ft ¼in). Pole vault: R. Williamson (Edinburgh AC), 4.45 metres (14ft 7¼in). Triple jump: F. Attoh (Shaftesbury), 15.18 metres (49ft 9½in). Final placings: 1. Shaftesbury 107; 2. Cardiff 101; 3. Edinburgh South, 97; 4. Wolverhampton and Bilston 95; 5. Birchfield 94; 6. Sale 86; 7. Thames Valley 82; 8. Edinburgh AC 77.

WOMEN: 100 metres: M. Probert (Sale), 11.87sec. 200 metres: D. Hartley (Stretford), 24.13sec. 400 metres: L. Beton (Sale), 55.53sec. 800 metres: C. Benning (Stretford), 2min 7.42sec. 1,500 metres: C. Benning (Stretford), 4min 30.87sec. 3,000 metres: V. Rowe (London Olympiad), 9min 47.33sec. 100 metres hurdles: S. Strong (Stretford), 14.60sec. 400 metres hurdles: D. Heath (Stretford), 59.95sec. 4 x 100 metres relay: Sale, 46.91sec. 4 x 400 metres relay: Stretford, 3min 47.95sec. High jump: M. Walls (Edinburgh Southern), 1.79 metres (5ft 10½in). Long jump: M. Walls (Edinburgh Southern), 6.17 metres (20ft 3in). Javelin: D. Williams (Stretford), 45.74 metres (150ft ¼in). Discus: M. Ritchie (Edinburgh Southern), 52.34 metres (171ft 8½in). Shot: M. Ritchie (Edinburgh Southern), 14.10 metres (46ft 3½in). Woman's final placings: 1. Stretford AC (holders) 99; 2. Edinburgh Southern 95; 3. Sale Harriers 83; 4. Southampton 60; 6. Liverpool 57; 6. London Olympiads 55; 7. Essex Ladies 54; 8. Bristol AC 51.

Yachting

Holmes finds answer blowi[n] in the wind

By John Nicholls

Michael Holmes and [illegible] Froggatt, representing the [illegible]core Class, were clear win[ners of] the Endeavour Trophy at [Burn]ham-on-Crouch yesterday. [The] trophy raced for at the [end of] every season, brings together winners of the national ch[ampion]ships of the principal [dinghy] classes. Among this year's e[ntry] of 24 crews were some of B[ritain's] outstanding small-boat [sailors] though they did not all [enhance] their reputations.

However, they were not [sailing] their own boats. GP14 d[inghies] were borrowed and the vari[able] performance of them was [notice]able. The boat used by Chri[s] Law (Finn) for example [was] clearly slower to windwar[d than] that of Holmes, who beat [him in] all three races sailed yes[terday] though Law never made [a mis]take. Edward Warden-Owen[,] a past champion in the GP1[4,] was another who did not l[ook his] usual confident self.

Holmes, on the other ha[nd, was] dominant yesterday in a [light] south-westerly breeze. He w[on two] of the races and was sec[ond in] the other, easily ove[rtaking] Richard Estaugh (GP14), th[e over]night leader. Estaugh ha[d been] similarly impressive on Sa[turday] with two wins and a secon[d] to put him well ahead of [Holmes,] who recorded two second[s] and a fourth.

It was the stronger wind [on Satur]day that caused their posit[ions to] be reversed. Saturday's bre[eze was] only moderate and the [[illegible]] Estaugh and his crew fou[nd] conditions more to their [liking.] Some of the gusts ye[sterday] caused some capsizes and [at the] end of the last race only 1[illegible] were still battling roun[d the] course. Lawrie Smith (Ente[rprise),] last year's winner and this [year's] favourite, finished third [without] scoring a first place on ea[ch day].

Results: 1. M. Holmes [and] Froggatt (Albacore), 9 p[ts; 2.] R. Estaugh and N. Saterl[illegible] 26.4 pts; 3. L. Smith a[nd] Barker (Enterprise), 26.7[illegible] G. Elis and C. Owen [illegible] 43.4 pts; 5. C. Law and O.[illegible] (Finn), 5. pts; 6. N. Wall[illegible] R. Andrews (National 12[illegible] pts.

Holmes's challenge

Madrid, Sept 24.—The [World] Boxing Council heavyweigh[t cham]pion of the world, Larry [Holmes] of the United States, is to [defend] his title against the Eu[ropean] champion, Alfredo Evangel[ista of] Spain on November 17 [in Las] Vegas or Los Angeles.—Agence France-Presse.

For the record

Rifle shooting

BISLEY: London and Middlesex meeting: President's prize: 1. K. E. Chard (Devon), 105; 2. J. W. Lloyd (Farnham), 103. Warren memorial: R. Kingston, 149. Henderson Cup: K. E. Chard, 140. Championship: K. E. Chard, 390. Sunday aggregate: K. E. Chard.

Cycling

COLCHESTER: Criterion des Vainqueurs race (100 kilometres): 1. G. Banaszek (Poland), 2hr 26min; 2. S. Poulter, 2:26:1; 3. S. Roche (Ireland), same time; 4. S. Thomas, 2:26:55; 5. N. Martin, 2:36:27; 6. B. McCormack (Ireland), same time.

Golf

Baseball

Hockey

MADRID: Women's World Cup: Netherlands 1, West Germany [illegible] INTER-LEAGUE CHAMPIONSHIP:

Motor racing

Squash rackets

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PORT

ootball

Regrettable weekend after week of optimism

Norman Fox
Football Correspondent

With sadly ironic timing, while Nottingham Forest published the names of convicted hooligans in their programme and several other clubs began a campaign to reduce violence and obscene language among spectators, a young Chelsea supporter was killed in Birmingham. Had he reached the St Andrews Ground he would have been less likely to be involved in trouble than in the surrounding streets because Birmingham City, too, have taken measures to combat hooliganism. A large area of terracing behind the most popular end is now kept empty to segregate supporters and to stop stones and bottles being thrown. Only this summer £45,000 was spent on improving that part of the ground, but it is now unused. Nottingham Forest's attempt to improve behaviour at their stadium has taken several forms, including a number of personal appeals by the manager, Brian Clough.

The latest "black list" of offenders published in the match programme is an attempt at public vilification, according to the club's chairman, Stuart Dryden, who is also a magistrate. Only four arrests were made at Nottingham on Saturday, but as Middlesbrough, the visitors, currently have a small away following, the figure was no evidence of sudden improvement.

All in all it was a regrettable weekend, particularly as it came after England's appealing, entertaining match against Denmark in Copenhagen. After many seasons in which defensiveness threatened to strangle the game itself, there are signs of a more positive outlook and the prospect of fresh, young talent raising standards that had fallen farther than was generally admitted. Glimpses of Hilaire, of Crystal Palace, on television this weekend, a sight of Cunningham gliding past the Liverpool defence, and of Brooking's artistry against the Danes, served to revive the spirits, but the headlines told of violence on and off the field.

Eight names were taken, including that of a trainer, and two Sunderland players were sent off in a match at Burnley. The manager of Sunderland, Jimmy Adamson, who was dismissed by Burnley in 1976 after 29 years with the club, thought his team of nine men, who won 2—1, gave the "most professional performance I have witnessed". Among others sent off on Saturday was Smith, the former Liverpool defender, for arguing with the referee in Swansea City's defeat at Chester, and six names were taken in Derby County's win over Southampton.

Nottingham Forest and Liverpool, *who meet in the European Cup* on Wednesday night, were closely scrutinized for hints of the outcome, but both played below *their capabilities*. Forest showed that they could discard a two-goal lead, which is their advantage after the first leg of the European tie, by allowing Middlesbrough to recover, and Liverpool had to rely on a piece of remarkable opportunism by Dalglish to keep them *from defeat* by West Bromwich Albion at the Hawthorns.

The Albion goalkeeper had made a habit of rolling the ball before clearing it. Dalglish noticed and scored the equalizer by pouncing from five yards with the quick thought and action everyone had hoped to see from him in Scotland's jersey last summer. There was one injury reported by Forest, Barrett having suffered knee ligament trouble that will keep him out of Wednesday's match. Liverpool, however, have no injury problems.

Although Liverpool dropped their first point of the season, they remained top of the first *division, ahead of* Everton who, not surprisingly, beat the struggling Wolverhampton Wanderers side at Goodison Park. Of more immediate concern was the form of other teams involved in this week's European competition. Everton themselves are comfort*ably placed with a five-goal lead* over Finn Harps, but Manchester City and Ipswich Town both drew their first leg games in the Netherlands and had hoped for more impressive warming-up performances this weekend.

Ipswich suffered their third home defeat of the season against Bristol City and the annoyed remarks of their manager, Bobby Robson, who threatened to make some changes. Manchester City were overrun by Tottenham Hotspur, specifically Ardiles, but Corrigan saved them for the second half in which they scored twice.

Brady put out to grass in the sun

By Stuart Jones

Journeymen from afar, from Denmark, from Austria and mostly from Ireland, renewed acquaintances at Highbury on Saturday. True to the promise of any travel brochure, a midsummer's sun was there to shine on the meeting between Arsenal and Manchester United that opened with bright activity and closed with a tired sigh in a 1—1 draw.

Although a heavy Irish accent pervaded the 90 minutes United were without Nicholl and McCreery, two of their Northern Ireland representatives in *Dublin in midweek. Arsenal,* on the other hand, welcomed back O'Leary, who had missed the international through injury, and he was to play an important role in the second act.

The significant early lines were delivered, as usual nowadays, by the eloquent, elegant *Brady. Now* without the bustling McCreery to worry him, he wandered hither and thither almost at will. His marker, generally Brian Greenhoff, closed in only when he neared the danger area. By then, though, he had already prompted those in *front.*

Yet is was United, after a nervous start, who stole into the lead midway through the first half. Albiston intelligently drew two defenders before putting Brian Greenhoff away on the right. His low cross was met by Copell, od at least Copel's bootlaces, and, with Jennings off balance, the ball crawled into the net.

But while Arsenal were employing Stapleton as an apex to their midfield triangles, a reply always seemed likely. It took 10 minutes to arrive. Rix had already used him to set Price free and then Nelson repeated the move, only to see his fierce shot beaten away by Roche. From the corner and after a short game of head tennis between Young and Buchan, Price volleyed the equalized from an acute angle

Before the interval both goalkeepers brought forth applause from the shirt-sleeved audience. First Jennings smothered Jimmy Greenhoff's shot from point-blank range, injuring himself in the process, and then Roche leapt with a backward twist to tip Sunderland's header over the bar.

After the resumption, Arsenal's fires faded in the setting of the sun. Brady was put out to grass in the shadow of the stand on the left but, even then, almost won the game for them. From O'Leary's cross, he *mishit his first attempt* and headed his second. Roche caught it comfortably enough and then staggered back into the net, holding the ball out at arm's length.

Apart from a late 35-yard drive from Nelson, though, United's defence, with McQueen dominant in the air, were untroubled. Indeed, McIlroy, Coppell and the ponderous Jordan all had chances to snatch victory. However United will be relieved to have broken their Highbury spell of seven successive defeats, conceding three each *time.*

The crowd, entertained especially early on, were entertaining themselves. Asked to refrain from shouting obscenities, they responded in spirited fashion. After a wayward shot from McIlroy, they rose as one with the chant: "*What the blinking heck was that?*"

ARSENAL: P. Jennings; P. Rice, S. Nelson, D. Price, D. O'Leary, W. Young, L. Brady, A. Sunderland, F. Stapleton, S. Walford (sub, M. Heeley), G. Rix.
MANCHESTER UNITED: P. Roche; A. Albiston, S. Houston, B. Greenhoff, G. McQueen, M. Buchan, S. Coppell, J. Greenhoff, J. Jordan, L. Macari, S. McIlroy.
Referee: A. W. Grey (Great Yarmouth).

Golf

Europe make points difficult to get

By Peter Ryde
Golf Correspondent

Great Britain and Ireland found the task of defeating the Continent of Europe at golf's headquarters, the Belfry, harder than form had suggested. They retained by 17½—14½ the Hennessy Cognac Cup which they had first won two years ago at Lille, but in the 12 matches played on Saturday they added on balance only one more point to their overnight lead of two. For this much credit is due to the Continental captain, Angel Gallardo, who kept his team's spirits up and bolstered their determination.

Any sponsor who undertakes a fixture of this kind takes his life in his hands, for a lead may develop into a rout and leave the television commentators nothing to talk about except the weather. Hennessy's must be encouraged that over the three days—a day too long in my opinion for any international golf contest—it never ceased to be a contest.

Rivalry never became acute because the British atmosphere that everything would be all right in the end was never quite dispelled, and was in the end justified, but there were moments when the rest of the home side were grateful to James for the lead of three he had over Dassu of Italy in the last series when there was still one point to find.

Another reason why it is diffi*cult to build up excitement* in these events is that to the players the contest is just another job, while the spectators turned up, not to see one side or the other win, but to watch "Seve". The Spaniard did not have a happy meeting. He suffered the biggest defeat of the 24 singles, at the hands of Coles, he took three rather feeble shots from the edge of the 18th to allow Torrance to halve with him: a heavy cold and his impending trip to the United States, one of the more important engagements of his life, did not improve his frame of mind.

But Ballesteros gave the crowd all they could want in the afternoon, playing beautifully against Brown on a course so wide open when it keeps away from the water that he *could* tackle it without any inhibitions. He was four under par when he won, but he played at such a pace as to make the British captain, Huggett, believe the Spaniard was trying to hustle his rather deliberate opponent, and he advised Brown to take his time.

At one time they were pressing uncomfortably on the match ahead, but no one could catch Torrance and Abreu who played their match at almost casual speed. Abreu gained his lead at *the 10th* with a birdie down the fairway, whereas Torrance tried an ineffectual shot across the trees —the tee was farther forward than for Ballesteros's famous shot—and took four. But he clung on and caught Abreu at the 18th. Huggett shrewdly kept Torrance in the *thick of the fight and got the* best out of him, and another to whom Britain owed much was O'Leary.

O'Leary has been slow to get going this season but he scored three points out of four and no point was more valuable than his victory over Cañizares in the last series but one when he had five birdies coming home, turning the tables after being one down at the eighth. Preferred lies were played, implying adverse comment of the course which is hardly fair.

The course may be open to criticism at present, but in the long term it looks capable of fulfilling well its appointed task of being a showpiece venue for the professional game. This is the second consecutive event in which the state of the fairways has caused preferred lies. It is *rumoured that St Pierre next week* may provide a hat-trick, but this I find hard to believe.

BRITAIN AND IRELAND 17½ POINTS, EUROPE 14½: Results: S. Torrance halved with S. Ballesteros; N. Coles beat A. Gallardo, 1 hole; N. Faldo beat A. Garrido, 2 holes; J. O'Leary beat J. Cañizares, 3 and 2; H. Clark beat M. Calero, 1 hole; B. Huggett lost to M. Pinero, 3 and 1; S. *Torrance halved with F. Abreu*; B. Gallacher lost to B. Langer, 1 hole; K. Brown lost to S. Ballesteros, 5 and 4; M. James beat B. Dassu, 3 and 1; N. Faldo lost to A. Gallardo, 2 and 1; B. Barnes halved with M. Calero.

Tottenham brought to their knees

Tom German

The question in deciding priori... is whether to congratulate Corrigan or to commiserate with Ardiles, whether to chide Tottenham Hotspur for two uncharacteristic, unguarded moments or to commend Manchester City for succeeding in making bricks out of straw. They twice seized chances where none seemed to exist to win 2—0 at Maine Road, but the standing ovation for Ardiles and Corrigan as they left the field at the end, one behind the other, recognized the realities of the afternoon.

Tottenham deserved better. They are a vastly more secure side than the one overwhelmed at Liverpool. Holmes tackled with infallible timing and firmness and Perryman seemed able to extend his lean frame at both ends to reach the ball so that Manchester could not get going in the opening half and Tottenham might have established an unassailable lead.

If Ardiles has had better matches than this, Spurs should be farther up the table. He reminds one of a delicate piece of porcelain and decorated events much. City were apprehensive whenever he moved forward to feel for a tender spot. His passes were shrewd and one marvellous, ...y run in the second half slit Manchester's flank wide open and it went unrewarded only because Corrigan's long reach flicked away Ardiles's cross at the last moment.

That was just one of the fine pieces of goalkeeping for which Manchester were indebted to Corrigan. With Paul Futcher sometimes uncertain of himself and twice caught out by Taylor's pace, Corrigan was left to sprint off his line to stage splendid last-ditch rescues. There were two equally fine saves, each from Pratt, to underline how towering a component, in every sense, Corrigan has become in the Manchester side.

Add to those Tottenham frustrations a finely-judged lob by Taylor, which did beat Corrigan but struck the bar, and a half-hit shot by Lee when he should have scored and one has the measure of why Spurs travelled home disappointed. Manchester are a better-equipped *side than they* indicated here. They missed Barnes's dexterity on the wing, and will be eager for Hartford to find his best form quickly and will certainly be looking for greater firmness at the centre of their defence.

Still, they had much more to play for themselves in the second half, especially after the uplift of a goal by Owen, driven in low and unexpectedly from almost 30 yards. Owen was always tenacious and gradually more was seen of Viljoen and Channon.

Daines managed to get his fingertips to efforts by both but was then beaten a second time as Watt hoisted a high—though not high enough—pass back to him and Ron Futcher leapt to glance a back-header over the goalkeeper's reach 13 minutes from the end. There was still time for Corrigan to don his hero's mantle again. As he stretched to save brilliantly, Pratt sank to his knees, a despairing gesture which symbolized Tottenham's frustrations.

MANCHESTER CITY: J. Corrigan; ... Clements, W. Donachie, C. Viljoen, ... Watson, P. Futcher, M. Channon, ... Owen, R. Futcher, A. Hartford, P. ...wer.
TOTTENHAM HOTSPUR: B. Daines; D. McAllister, J. Gorman, J. Holmes, J. Lacy, S. Perryman (sub, Armstrong), R. Villa, O. Ardiles, ... Lee, J. Pratt, P. Taylor.
Referee: M. Baker (Wolverhampton).

Stein stops at £300,000

Jock Stein, ready to make Gerry Daly his first signing since taking over at Leeds, will not raise his original bid—believed to be around £300,000—for the Derby County midfield player.

Latchford, the leading marksman in 1978, hits the target for the first time in the league this season for Everton.

What Everton need is collective panache

By Gerald Sindstadt

Everton, who do not enjoy being "the other club" on Merseyside, feel that their centenary season would be an appropriate time to reverse the local balance of power. On Saturday, they extended their unbeaten start in three competitions by beating Wolverhampton Wanderers 2—0. That left them second to Liverpool *in the first division*, but reduced the margin to one point.

As an addition to the *statistical* record, it was a satisfactory result. As a basis for celebration, it was less than intoxicating. A team with championship aspirations, presented with two goals in *the first 15 minutes, should be* capable of adding to them, especially against a team with Wolverhampton's limitations.

Gordon Lee, Everton's manager, dipping into one of the league's deepest purses, has assembled a team of players who have skill, *thrust, and above all, whole* hearted commitment to the cause. What they lack, at present anyway, is style, a collective panache. They sometimes impress but they do not often beguile.

The latest expensive acquisition, Todd from Derby, made his first appearance on Saturday. Asked to play at right back, a position he has filled in international but not in club football, Todd did so with poise and competence, frequently in direct opposition to Daley, Wolverhampton's best player.

Afterwards, Todd said he had enjoyed himself. He certainly saw plenty of the ball since much of Everton's game of possession was played in square passes among their defenders. In their endeavours not to give the ball away, they missed many chances to expose Wolves' makeshift midfield in which Daniel, a full back, was a poor deputy for the injured Hibbitt.

The game was a personal disaster for the central defender, McAlle, a Liverpuddlian by birth, but a Wolves player since he left school 13 years ago. After only five minutes, he allowed the ball to pass between his legs, expecting Bradshaw to collect. Instead, Latchford standing directly in line, had only to overcome his surprise to score his first league goal of the season.

Ten minutes later, as defenders and attackers jumped for a high cross, McAlle shouldered Walsh to the ground. In many matches such an occurrence escapes unpunished. Mr Courtney, to his credit, saw this one, and King scored with the penalty kick. At that point, Wolves looked, in boxing terms, ready to go.

Bradshaw, in their goal, must be given some credit for the fact that defeat did not become humiliation. Palmer played well at right back, Daley did the work of two men with enough ability to give Wood in the Everton goal a few opportunities to shine.

Before the end of a disjointed second half, there were signs of disgruntlement from the terraces. The recent transfer to Chelsea of McKenzie's undoubted, but wayward talents was consistent with the Everton's manager's philosophy. Mr Lee will feel vindicated by winning matches. But he has still to win agreement from some of Everton's supporters.

EVERTON: G. Wood; C. Todd, M. Pejic, M. Lyons, W. Wright, T. Ross, A. King, M. Dobson, R. Latchford, M. Walsh, D. Thomas.
WOLVERHAMPTON WANDERERS: P. Bradshaw; G. Palmer, D. Parkin, P. Daniel, R. Hazell, J. McAlle, M. Patching, W. Carr, W. Clarke (sub, M. Fyes), N. Bell, S. Daley.
Referee: G. Courtney (Spennymoor, Durham).

West Bromwich give Liverpool a hand

By Norman Fox

Withholding themselves for all but a brief, important period just after West Bromwich Albion scored at the Hawthorns on Saturday, Liverpool were not prepared to put as much effort into maintaining their leading place in *the first division as they* undoubtedly will against Nottingham Forest in the European Cup at Anfield on Wednesday night. That, at least, is the theory.

To say *that* they were in danger of losing for the first time this season and that it took an unusual, quick-witted contribution of opportunism to save a point would be to disregard the fact that they are rather good at the art of recovery. The fact was that, by whatever strange means, they did score after Albion caused them some concern. Forest will start in much the same situation, though their lead is two rather than a precarious one goal, and will come under similar pressure. The tie is far from over.

Albion gave Liverpool admirable preparation. They are a delightful team to watch, a blend of hardened experience, promise and originality. Without Johnston, perhaps they tend to depend too greatly on a largely wingless directness that restricts their *alternatives, but when Cunning*ham moved along the left side they threatened the Liverpool defence and disregarded the flimsy challenges that were put in their way in midfield. Cunningham was often breathtaking in his acceleration and balance, with only Heighway to be compared in the Liverpool team.

Liverpool's failure to take a grip in midfield until the later part of the second half was the key to the game. Souness, McDermott and Ray Kennedy were not in adventurous mood. They rarely joined the attack with the penetrating drive that one has seen in the past and Dalglish too often found himself without support. Not that he required to be surrounded with friends in this form.

Godden, the Albion goalkeeper, was probably grateful that Liverpool did not always throw themselves forward with customary dash. He began badly by missing one or two centres from Heighway and was unable to overcome his nervousness. Nevetheless, he survived until well into the second half by which time Albion had recovered from an inhibiting beginning when Liverpool threatened *to overwhelm them.*

Cunningham's speed and ambitious parsistence brought him a fine goal that forced Liverpool to think more seriously about strengthening their own attack from midfield. Cantello played a well-timed pass across the halfway line. Cun*ningham swerved rhythmically in* and out of challenges, pushed the ball between Neal's legs and ran on. Clemence came out but Cunningham timed his shot excellently to beat him.

Tenacious tackling by Batson and Statham had more or less *restricted Liverpool from getting* the full benefit of Heighway's answer to Cunningham's glorious pace and flow, but after Albion had scored these two found it increasingly difficult to cope with *midfield* players who seemed to come at them in droves. Yet *Liverpool's equalizer was not* the product of insistent pressure but of Godden's strange carelessness. Several times he had chosen to roll the ball ahead of himself before clearing and Dalglish had always taken a close interest. Finally, he was dropping the ball to his feet when Dalglish moved, almost with the speed of a lizard's tongue, to knock the ball away and over the line. It was quite the most inspired movement Liverpool raised.

WEST BROMWICH ALBION: A. Godden; B. Batson, D. Statham, L. Cunningham, J. Wile, A. Robertson, B. Robson, A. Brown, C. Regis, L. Cantello, J. Trewick.
LIVERPOOL: R. Clemence; P. Neal, A. Kennedy, P. Thompson, R. Kennedy, E. Hughes, K. Dalglish, J. Case, S. Heighway (sub, D. Johnson), T. McDermott, G. Souness.
Referee: P. Richardson (Lincoln).

Todays fixtures

Kick-off 7.30 unless stated.
THIRD DIVISION: Brentford v Lincoln City; Carlisle United v Swansea City; Tranmere Rovers v Plymouth Argyl.
FOURTH DIVISION: Hartlepool v Newport County; Rochdale v Wimbledon.
FA CUP: First qualifying round, second replays: Crawley v Bexhill (at Hastings); Epping Town v Chalfont St Peter (at Hoddesdon).
SOUTHERN LEAGUE CUP: Second round: Bath v Gloucester; Tamworth v Banbury. First division south: Tonbridge v Ashford.
NORTHERN PREMIER LEAGUE: Altrincham v Buxton; Mossley v Macclesfield.
ISTHMIAN LEAGUE: Premier division: Dagenham v Tooting and Mitcham; Walthamstow Avenue v Hitchin. First division: Bishop's Stortford v Metropolitan Police; Ilford v Wembley.
RUGBY UNION: Club match: Anti-Assassins v Oxford University.

Leading goalscorers

FIRST DIVISION: F. Worthington (Bolton) 8; K. Dalglish (Liverpool), 7; R. Latchford (Everton), 6; J. Ryan (Norwich City), 6; G. Souness (Liverpool), 6; E. MacDougall (Southampton), 5; T. Ritchie (Bristol City), 5.

SECOND DIVISION: A. Bruce (Preston), 7; D. Cross (West Ham), 6; B. *Robson (West Ham), 6*; B. Stein (Luton), 6; M. Robinson (Preston), 5.

THIRD DIVISION: R. Jenkins (Watford), 12; F. Binney (Plymouth), 9; R. James (Swansea), 9; I. Edwards (Chester), 8; J. Charles (Swansea), 7; A. Curtis (Swansea) 7; K. Edwards (Hull), 7; R. Finney (Rotherham), 7.

FOURTH DIVISION: A. Cork (Wimbledon), 9; O. Kearns (Reading), 7; T. Lee (Stockport), 7; S. Hemmerman (Portsmouth), 6; J. Newton (Hartlepool), 5; K. Randall (York), 5.

Celtic go clear at the top

Celtic are again clear leaders of the *Scottish* Premier League, having beaten Partick Thistle 3—2 on Saturday. *Aberdeen*, who started the day in joint top position with Celtic, lost to Hibernian in a match between the only two unbeaten sides in Scotland. Hibernian won 2—1 to preserve their record, and with nine points are only one behind the leaders.

Celtic displayed courage in bouncing back from a half-time deficit. Aitken gave them a fine start with a goal after seven minutes but a header by Melrose after 35 gave Partick the equalizer. Five minutes later Somners scored from a penalty to put Partick ahead. It was another penalty which put Celtic back in the game five minutes after the interval, Lynch scoring, and two minutes later he made the chance for *MacDonald to hit the winner.*

A goal by Rae gave Hibernian an early lead. Jarvie put Aberdeen level but they conceded a penalty four minutes from half time and MacLeod scored to give Hibernian a slight edge which they retained

Rangers, last season's champions, had to settle for a 2—2 draw with Morton, who scored first through Ritchie. Two second-half goals by Parlane and Johnstone gave Rangers a winning look but their former player, Scott, hit Morton's equalizer after 71 minutes. Hearts secured their first win of the season by beating Motherwell 1—0.

Bowles at work in bargain basement

By Geoffrey Green

In a match that was anxiously competitive rather than polished, Queen's Park Rangers beat a weakened Aston Villa by the narrowest margin of 1—0 at Loftus Road and have now gathered in five precious points from their last three games. However, even their most one-eyed supporter would agree that they were lucky not to be out of the hunt by halftime when it was Villa all the way.

But football—as unpredictable as the British weather—has no logic, and it is survival by whatever means that counts in the end. The truth is Rangers are fielding too many mediocre players. They are what may be termed a job lot to be found in some bargain basement. Without the giant Parkes in goal, Bowles, Hollins and Francis—when fit—they would be in deep, hot water.

The unlucky Francis, suffering a strained thigh muscle, was missing on this occasion and it was left to little Bowles to keep the dynamo running in midfield. Yet there is a limit to what one man can do. With little or no positive response up front, and only Parkes and Hollins to prop up the rear safely, Bowles could well demand time and a half for his efforts.

On the credit side, however, Rangers are surviving by team spirit and hard work. When Villa dominated the opening half—with Little, in particular, threatening to take the Londoners apart at the seams with acceleration and thrust—it was only Rangers's indomitable determination that kept them in the match as they hunted down every Midlands attack.

Then suddenly, two minutes after the interval, Rangers took the *lead* unexpectedly and the pendulum swung. A goal up through their new investment, Harkouk—his second in successive matches—a fresh breeze slowly filled their sails and it was Villa who found themselves on the receiving end. Not that it was skilful, creative stuff but at least some new found adrenalin began to course as Bowles continued to prompt from midfield.

It was a sharp thrust that undid Villa. Hollins's long pass from deep in defence caught the opposition stretched. With Craig bypassed and stranded on the halfway line, Busby ran free to the right by-line and, though Eastoe missed his centre—an air shot off the tee—the ball ran loose to Harkouk, who tucked away a rising shot to Rimmer's far top corner after a seeming age at taking aim.

Villa were heavily depleted. Gidman and Gordon Smith, their regular full backs, were both missing through injury. So, too, were Carrodus and Gray. To make matters worse, Deehan, proved goalscorer, had to leave the field half an hour from the end blinded by blood, head bandaged, following an earlier aerial dual with Howe. Later, he had two stitches put in his forehead.

Although Cowns, Mortimer and Little drove hard for an equalizer over the last stages, by then Rangers had lifted their game a notch to hold on to a hard-earned victory. Even so, it took a couple of *first-class saves by Parkes* to keep the sunny afternoon won.

QUEENS PARK RANGERS: P. Parkes; D. Shanks, I. Gillard, J. Hollins, E. Howe, T. Cunningham, P. Eastoe, R. Harkouk, M. Busby, S. Bowles, P. McGee.
ASTON VILLA: J. Rimmer; D. Evans, J. Gregory, A. Evans, K. McNaught, D. Mortimer, T. Craig, B. Little, J. Deehan (sub, L. Phillips), G. Cowans.
Referee: C. A. Mansell (Cambridge). G. Shelton.

Ballesteros out of this World

By Peter Ryde

By making known his intention not to play in the World Cup in Hawaii in December, Severiano Ballesteros has had the honesty to say what several golfers in the highest class have been saying more or less openly over the past 20 years. Some of them, being more worldly than Ballesteros, have expressed themselves more tactfully and attracted less attention to their decisions.

Some, no doubt, have resorted to an effective white lie about back trouble. But they have all had the same feeling about it—"I make no money from it, I have better things to do then and, anyway, I have shown willing to my country by taking part before." One of the better things they have found to do in that last month of the year is to take a well-earned rest.

All that is true of Ballesteros but because he is Europe's only real golfing hero his every utterance is scrutinized. The World Cup is a commercial tournament backed by big business in the United States. In the past decade its influence has declined until it carries far less weight than its name implies.

There can be no continuing obligation on a player to take part year after year in such an event. Nor, in my opinion, is there any obligation on a player to continue taking part merely because his country was last year's winner. It would certainly look odd if Spain, the holders, were not represented this year, but there are many young Spaniards who would benefit from the experience of such a trip.

Recognition of what Ballesteros *had achieved in winning the World* Cup for Spain over the past two years came this spring when he and his partners, Garrido and Pinero, were presented with a special sports award by the Spanish king but it is probably true to say that Ballesteros's latest decision will attract more attention in his own country than his World Cup victories ever did. The World Cup has no claim on Ballesteros's loyalty.

He wants to make money but when it comes to his feelings for his country, his decision this year to play in the Spanish under-25 championship, when most of the field were not in his class and the prizes were negligible, is a surer indication than his decision to stay at home in December. He will do much more for his country's good name by concentrating on trying to win one of the big events, in particular the British or United States Open

Spain take lead by one stroke

Turin, Sept 24.—The first-day leaders, Italy, were overtaken by Spain and France yesterday in the tournament of champions golf tournament here. The Spanish foursome returned a total of 301 today to give them an aggregate of 604 for 36 holes, one stroke ahead of France, and two strokes in front of Italy.

England are in fourth place on 611, with Scotland fifth on 617, Sweden sixth on 620, Wales seventh on 627 and Ireland eighth on 631. Spain's former woman champion, Christina de Artasona, was her country's best player, returning a 72, one over par, to follow her 73 on the first day and give her the individual lead among the women players of the 17 European countries competing.

Carole Bromet, of France, aged 19, also returned a 72. Italy's best round came from the 21-year-old university student, Federica Dassu, sister of professional Baldo Dassu, with a level par 71.

England returned 305, one stroke better than their first-day score, with Carrigill and Hoad repeating their first-day rounds of 75 and 74 respectively. The Eng*lish women's captain*, Vanessa Marvin, returned 76 and 18-year-old Susan Bamford again disappointed with 80 to follow her first round of 83.

The Scottish champion, Carslaw, had a fine round of 73 in his country's total of 305, seven *strokes better than the first day.*

Individual British scores (first two names men, second two women):
611: England (P. Hoad 74, P. Carrigill 75, V. Marvin 76, S. Bamford 80: total 305).
617: Scotland (I. Carslaw 73, A. Taylor 81, B. Robertson 76, J. Smith 75: total 305).
627: Wales (H. Evans 76, D. McLean 78, T. Perkins 75, A. Briggs 77: total 306).
631: Ireland (M. Morris 73, Clearly 81, M. Gorry 76, I. Butler 79: total 309).
SECOND ROUND SCORES: Spain 604; France 605; Italy 606; England 611; Scotland 617; Sweden 620; Wales 627; Ireland 631.—Reuter.

Experience test for Lyle

Sandy Lyle, a 20-year-old Scot, will face a 41-year-old American, Don Massengale, in *tomorrow's* Transatlantic Trophy golf match, sponsored by British Caledonian, at Prestwick. The six-a-side match is between British professionals called the Lions and a side of Texas professionals. Tommy Horton captains the Lions.

MATCHES: T. Horton v C. Bridwell; S. Lyle v D. Massengale; B. Barnes v B. Weaver; M. *Gregson v J. Smith*; C. Mason v E. Miles; S. Torrance v K. Knoll.

Hockey

Trojans defences crumble to Southgate attacks

By Sydney Friskin

Southgate 2 Trojans 0

Southgate, European club *hockey champions, gained* yet another distinction yesterday by winning the national inter-league championship for the second year in succession. The event, sponsored for the first time by Trumans came to a successful end with Southgate resisting a hard*working challenge by Trojans.*

Unlike last year, there were no startling changes of fortune in the path to the final; nor was the final itself as exciting. By the end of the first day's play on Saturday, both Southgate and Trojans had virtually made sure of reaching the final.

Even without four of their regular players Southgate had so much talent in reserve that they won without anxiety. If Trojans had scored from their first carefree rush, they might have set Southgate a few problems, but once Southgate took the lead in the 29th minute—they should not have left it as late as that—the foundation of victory was laid. Brookeman, whose effective front running was a marked feature of Southgate's play, was voted the *best player of the tournament* by the Hockey Writers Club.

Trojans brought Purdy into the firing line to help Fernandes, their best forward. Both were too closely marked, and their defence was too busy holding back Southgate's attacks and clearing desperately *near the line. In the* early minutes Goss in goal twice prevented the Trojans' citadel from falling.

The collapse came after Trojans had squandered a short corner, when Goss himself obstructed Neale, at the point of scoring, to concede a penalty stroke which *Alistair McGinn converted.* But for a timely deflection near the line Southgate could have been two up at the interval. The frustrated marksman was Catrall who had converted five short corners in the group matches.

Hardly a minute of the second half had passed when Southgate's lead was increased. A move started by Corby on the right put the Trojans' defence in disarray and Neale set up a fine chance for Imtiaz to score. There were no signs of a Trojans recovery, although they did not give up *trying, and Southgate* after earning two short corners did not have to make too many demands on their exertions.

SOUTHGATE: D. J. Owen; R. Catrall, D. Woolven, A. Wallace, I. S. McGinn, R. Rawal, M. W. Corby, A. S. McGinn, R. H. Brookeman, J. L. Neale (captain), S. Imtiaz.
TROJANS: P. Goss; D. Legg, A. Muller (captain), G. Kirkham, K. Chambers, G. Leach, J. Isaack, G. Lucas, A. Fernandes, B. M. Purdy, B. Hiscock.
Umpires: Bawa Singh (Midlands) and B. Humphrey (East).
GROUP A: Bluebarts 1, St Georges 1; Isca 0, Trojans 2; Bluebarts 0, Trojans 0; Isca 2, St Georges 0; Bluebarts 1, Isca 1 (Isca won on penalty strokes); St Georges 1, Trojans 3.
GROUP B: Bournville 1, Liverpool Sefton 2; Indian Gymkhana 1, Southgate 4; Indian Gykhana 4, Liverpool Sefton 1; Burnville 1, Southgate 5; Liverpool Sefton 0, Southgate 0; Bournville 3, Indian Gymkhana 0.
SEVENTH PLACE: Indian Gymkhana 4, St Georges 3.
FIFTH PLACE: Bournville 2, Blueharts 0.
THIRD PLACE: Isca 1, Liverpool Sefton 0.

In the R. L. Hollands Memorial Match at St Albans, Australian Hotspurs defeated Ladykillers 2—0. Smith and Shanahan scored.

Weekend results and tables

First division

...senal	1	Manchester U	1
...mingham	1	Chelsea	1
...lton	3	Norwich	2
...ventry	0	Leeds	0
...rby	2	Southampton	1
...erton	2	Wolverhampton	0
...swich	0	Bristol C	1
...nchester C	2	Tottenham	0
...ttm Forest	2	Middlesbrough	2
... Rangers	1	Aston Villa	0
...st Bromwich	1	Liverpool	1

	P	W	D	L	F	A	Pts
Liverpool	7	6	1	0	21	3	13
Everton	7	5	2	0	10	3	12
[illegible]							

Second division

Bristol R	2	Wrexham	1
Burnley	1	Sunderland	2
Cardiff	2	Blackburn	0
Crystal Palace	1	Oldham	0
Fulham	1	Millwall	0
Leicester	4	Brighton	1
Luton	1	Cambridge U	1
Newcastle	0	Orient	0
Preston	0	Stoke	1
West Ham	2	Sheffield U	0

	P	W	D	L	F	A	Pts
Crystal Palace	7	4	3	0	13	4	11
Stoke City	6	5	1	0	8	1	11
West Ham Utd	7	4	1	2	15	7	9
[illegible]							

Third division

Brentford	0	Gillingham	2
Carlisle	0	Southend	0
Chester	2	Swansea	0
Chesterfield	3	Peterborough	1
Exeter	3	Hull	1
Rotherham	2	Mansfield	0
Sheffield W	2	Plymouth	3
Shrewsbury	2	Lincoln	0
Swindon	0	Blackpool	1
Walsall	2	Colchester	2
Watford	4	Oxford	2

	P	W	D	L	F	A	Pts
Watford	8	6	0	2	24	13	12
Swansea	8	5	2	1	19	11	12
[illegible]							

Fourth division

Aldershot	0	Portsmouth	2
Bradford	1	Newport	3
Crewe	0	Grimsby	3
Darlington	1	Torquay	2
Doncaster	2	Barnsley	2
Hartlepool	3	Halifax	2
Huddersfield	1	Northampton	0
Port Vale	1	Bournemouth	2
Rochdale	0	Hereford	2
Scunthorpe	1	Stockport	0
Wimbledon	1	Reading	0
York	0	Wigan	1

	P	W	D	L	F	A	Pts
Wimbledon	8	6	2	0	15	6	14
Barnsley	8	6	1	1	16	7	13
[illegible]							

Scottish premier division

Hibernian	2	Aberdeen	1
Morton	2	Rangers	2
Motherwell	0	Hearts	1
Partick	2	Celtic	3
St Mirren	1	Dundee U	1

	P	W	D	L	F	A	Pts
Celtic	6	5	0	1	17	6	10
Hibernian	6	3	3	0	5	2	9
Aberdeen	6	3	2	1	14	6	8
Dundee Utd	6	3	1	2	7	5	7
Partick	6	3	0	3	7	7	6
St Mirren	6	3	0	3	6	6	6
Rangers	6	0	4	2	4	7	4
Morton	6	1	2	3	8	12	4
Hearts	6	1	2	3	6	13	4
Motherwell	6	1	0	5	2	13	2

Scottish first division

[illegible]

Scottish second division

[illegible]

European results

GREEK LEAGUE: Olympiakos 0, AEK 1; Yannina 0, Panathinaikos 2; Paok 4, Egaleo 0; Kastoria 1, Apollon 1; Rodos 3, Panachaiki 0; Iraklis 3, Kavala 0; Panserraikos 0, Ethnikos 1; Panionios 1, Larisa 1; Ofi 1, Aris 1.
PORTUGUESE LEAGUE: Guimaraes 5, Estoril 1; Voavista 4, Beira Mar 1; Varzim 2, Academico de Viseu 0; Academico 2, Barreirense 1; Belenenses 1, Benfica 0; Setubal 1; Braga 0; Sporting 3, Famalicao 0; Porto 5, Maritimo do Funchal 1.
SPANISH LEAGUE: Espanol 2, Hercules 1; Zaragoza 4, Atletico Madrid ... [illegible]

[illegible]

Johann Cruyff, at present deciding whether to sign a two-year contract with New York Cosmos, will be a guest for the American side in their game with Chelsea at Stamford Bridge tomorrow.

ISTHMIAN LEAGUE: [illegible]

SOUTHERN LEAGUE: [illegible]

F.A. VASE: [illegible]

INTERNATIONAL MATCHES: [illegible]

ATHENIAN LEAGUE: [illegible]

SPORT

Rugby Union

Touring side chosen not only for skill but behaviour

By Peter West
Rugby Correspondent

Argentina's national Rugby team, the Pumas, have arrived in England for their six-match tour with only two survivors from the side that ran a full-strength Welsh fifteen dramatically close in Cardiff two years ago. One of them is Hugo Porta, an outstanding stand-off half, and now captain, who played for the Rest of the World XV against South Africa in Pretoria last year, and the other is Martin Sansot, an accomplished full back. Moreover, only Porta and a scrum half, Landajo, played for their country when France toured Argentina last year. The Pumas lost the first international 25—3, but these two were paired together for the second, when a powerful French side were held to a draw, 18—18.

Nine players in the present party are under 22 years of age. The Pumas, in a transitional stage, are seeking to find the backbone of a new international team, and to some extent their Union is suffering from the consequences of a stern attitude to undisciplined behaviour on or off the field.

It seems that Travaglini, the giant centre whose stiff-arm tackle cost Argentina that game against Wales (19—20) was sent off for a similar offence in a club match in 1977 and then departed for the World XV game in South Africa without presenting himself to his disciplinary sub-committee—a further action that cost him a three-year suspension. And, last year also, 10 players were suspended for five years for what the Pumas manager, Mr Eric "Chaco" Kember, described yesterday as "rebellion against authority". Two or three of these, it seems, might otherwise be in England now.

Mr Kember added that a player found guilty of kicking another on the ground in his country would be lucky to escape with a sentence of less than a year, and for graver offences life sentences were not uncommon. "We have chosen our team", he said, "not just for their skills but for their behaviour, and we aim to prove that Rugby can be played really hard but cleanly."

With light but mobile forwards, the Argentines say that given the right conditions, and a necessary cooperation from the oposition, they will move the ball as quickly as possible to their backs and keep it moving all the time. The manager, with a proper show of confidence, averred that they intended to win all their matches and, what was more, that they hoped to conquer all our women, too. In wishing them a memorable and happy tour, Stanley Couchman, the president of the Rugby Football Union, said it clearly behoved us to lock up our daughters.

When the Pumas were here in 1976, they played five games in Wales, winning three of them, and one in England, when they lost 24-9 to a strong North and Midlands XV. In the following summer, when the All Blacks toured South Africa, New Zealand sent another side to Argentina and won all eight games, including two internationals (21—9 and 26-6). That was the expedition when Graham Mourie, who is due here soon as captain of the All Blacks, first made his name as skipper of a national side.

The Argentines, with no injury problems, trained at Bisham Abbey yesterday afternoon, and at least looked to have ample poundage at lock. One of the men in that position, Iachetti, has an imposing physique, and another, Travaglini (nephew of the centre) is another big man.

They begin their tour on Wednesday with a game against Southern Counties, at Oxford. The English part of the tour culminates with an international match against An England XV at Twickenham on October 14, and after that the Pumas will play Wales B and Leinster. The full party is:

Full back: M. Sansot.
Wing three-quarters: A. Catelletti, A. Puccio, M. Campo.
Centres: M. H. Loffreda, J. Trucco, E. J. Sanguinetti, R. Madero.
Stand-off halves: H. Porta (captain), J. Escalante.
Scrum halves: A. S. Cache, R. T. Landajo.
Prop forwards: R. Ventura, A. Cerioni, E. E. Rodriguez, H. Nicola.
Hookers: A. Cubelli, R. Seaton.
Locks: G. Travaglini, A. Iachetti, R. Pasaglia.
Loose forwards: G. Paz, C. M. Serrano, T. Petersen, H. Silva.

Main fixtures

The Pumas fixtures include:
October 14: An England XV, at Twickenham; 17: Wales B, at Llanelli; 24: Italy, at Rovigo.
September 27: Southern Counties, at Oxford; 30: London XV, at Twickenham.
October 4: Northern Counties, at Headingley; 7: North and Midlands XV, at Moseley; 10: English Universities, at Gloucester; 21: Leinster, at Dublin.

Names that count stay on the sidelines

By Gareth Bowen

Llanelli struggle these days when Bennett takes an afternoon off—and when Quinnell, Gravell and May joined him on the sidelines for Moseley's visit on Saturday, England's premier club should at last have come good. But Bennett's heir apparent, Morgan, crossed in the final minute to give the Welsh a lucky win by three tries and a penalty goal (15 points) to a try and three penalties (13).

The Midlanders, of course, will point to the continuing absence through injury of their captain, Warren, the England centre Corless, Greaves and Brain to explain their fourth defeat. Yet they were contemplating ruefully afterwards about continual lineout possession squandered and their inability to vary the pace and direction of attack during their second-half occupation of Llanelli's 22.

Still, Akenhead's penalty goal for Moseley two minutes from time should have settled the affair at 13—11. But it summoned up the Scarlets' fitful hwyl and down went their eight into a crunching maul near the posts and Morgan was allowed to recover after his foolish attempt to drop a goal before waltzing through some irresolute cover for the winning try.

Llanelli had the best of a scrappy first half. Their full back, Griffiths, who was to miss two kickable penalties later, opened the scoring with a rousing try after five minutes and Selwyn Williams, the scrum half, strolled unchallenged 15 yards down the blind side of a maul to cross in the corner. His Ovett-like wave of triumph took in not only the guffawing spectators but Moseley's back row cover which had retreated elsewhere.

However, Akenhead's penalty goal reduced the margin by the interval to 8—3 and signalled Moseley's second half revival. Their hooker, Cox, was bundled across in a "Horton Wedge" after a tapped penalty. And Akenhead's conversion attempt tragically hit the post. A rare Llanelli attack gave Griffiths an easy penalty goal after the inexperienced Cureton late tackled Hill, but Moseley's pressure was resumed and a second penalty from Akenhead reduced the lead to 11—10, so setting the scene for that grandstand finish.

Moseley's six foot seven lock, Hudson, despite a nasty head injury early on, was the keystone of their embarrassing lineout supremacy—but it never made up for lack of cohesion and fire in the loose. Their halves, Gifford and Cusworth, continued their England B partnership with commendable style, given all the bad ball they had to contend with as well as the close attention of Llanelli's tenacious flank forwards. Cusworth, especially, pleased the Stradey cognoscenti who knew a good stand-off when they see one—having seen so many down the magical years.

LLANELLI: C. Griffiths; J. J. Williams, D. Jacob, R. Bergiers, A. Hill; P. Morgan, S. Williams; L. Delaney, C. Davies, J. Williams, R. Powell, A. Davies, R. Price, H. Jenkins, S. Thomas.
MOSELEY: R. Akenhead; A. Cureton, M. Swain, A. Watson-Jones, B. Laird; L. Cusworth, C. Gifford; T. Corless, G. Cox, J. Moore, J. Hudson, B. Ayr, T. Clarke, N. Jeavons, J. Beale.
Referee: C. Norling (Swansea).

Cusworth: added to the list of magical stand-offs.

Cup fever among two local rivals

By Nicholas Keith

Form in English club rugby has been knocked out of shape. Gloucester, the John Player Cup holders and unquestionably the best club side in England last season, have been struggling to find their feet on the lush pastures warmed by our Indian summer.

Perhaps they will have more spring in their steps when the grounds become heavier but they were lucky to escape with a 16—16 draw against Bristol at sun-soaked Kingsholm on Saturday: a goal, a try and two penalties to Bristol's two goals and a try. If Bristol had kicked better they could and should have won.

The two old local rivals seemed infected by the fervent cup-tie atmosphere. The match was vivid with excitement but livid with errors.

Surprisingly, the Gloucester forwards did not establish complete mastery, although they troubled Bristol in the tight and won a crucial heel against the head on their own goalline. After slipping behind, 10—6, early in the second half, Bristol raised the tempo in the loose, inspired by Pomphrey and the admirable Rafter who, on this evidence, will not lightly surrender his place in the England side.

Gloucester can ill do without their England B locks, Fidler, who is injured, and Boyle, who was dropped for this game. They are the backbone of the lineout and scrummage and Gloucester looked more vulnerable in their absence.

There were some interesting close encounters of a personal kind. At full back, Hignell scored a try but missed two penalties with his new toe-poke style and looked far from sharp; Butler was generally more secure and justified Gloucestershire's preference for him rather than Hignell. At scrum half, Harding, who has just returned from Moseley, gave the county selectors a nudge. On the wing, Mogg and Morley shared the honours.

After a brisk start, Bristol found themselves seven points adrift. Christopher Williams scored a try in the corner after a break by Rooney and a deft pick-up by Mogg. Butler missed the conversion into the wind but kicked a penalty. Hignell had failed with kicks from 20 and 30 metres and must have been relieved when Gloucester were caught napping by a long throw from Rafter to Gorvett who plunged over for a try, converted by Newman.

When Gloucester changed ends with a 7—6 lead and Butler was successful with a 45-metre penalty, the odds swung against Bristol but the visitors responded brusquely. Rafter latched on to a high kick by his stand-off half, John, and sent Morley over for a try, which was converted by Newman. Shortly afterwards, Hignell overlapped on the right wing for his try, but Newman hit a post.

On both occasions the Gloucester defence was naive and leaden but Jardine saved the day when he charged down a kick by John and the touchdown was made by Wood, a bustling, blond flanker easily mistaken for his captain, Watkins. Butler converted and, as Gloucester pressed for victory in the last quarter of the match, he shaved a post with a drop kick.

GLOUCESTER: P. Butler; R. Clewes, E. Rooney, R. Jardine, R. Mogg; C. Williams, P. Kingston; G. Sargent, S. Mills, A. Brooks, A. Turton, J. Orwin, J. Watkins, J. Simonett, P. Wood.
BRISTOL: A. Hignell; A. Morley, J. Kelly, M. Ward, D. Newman; C. John, R. Harding; M. Fry, K. Bogira, J. Doubleday, N. Pomphrey, P. Stiff, P. Polledri, S. Gorvett, M. Rafter.
Referee: R. O. Hughes (Wales).

Welsh broadside holes Scottish defence

By David Hands

It was not a question of whether London Welsh would beat London Scottish at Richmond Athletic Ground on Saturday—so retaining their unbeaten record—but by how many. In the event the Welsh cantered home by two goals, three tries and three penalty goals (33) to two penalty goals and a dropped goal (9).

Three of their five tries came from right wing Clive Rees, who exposed the Scottish badly on one flank. But the holes in the Scottish defence were apparent early on, their ship having taken to sea in poor condition with six regulars missing. It was only a matter of when the Welsh, themselves without three first choices, decided to fire their broadside.

The greatest disparity between the sides was behind the scrum and at back row. The Scottish back division was a thing of fits and starts, the best of them the full back, Grant, who left the field five minutes before the end with a recurrence of a shoulder injury which plagued him for much of last season. The Welsh, but for the scrum half, Davies, had all their talent on show in the backs and even if Hughes seemed inclined to play sevens at times, who could blame him in such glorious weather?

In the back row Powell seized eagerly the opportunity given him by the midweek injury to Manfield. He was always there, supporting the ball carrier, with Lewis and Bowring close behind. However the set pieces were messy affairs and lineout ball was quite frequently an embarrassment for both scrum halves. The first half was decidedly forgettable. Grant kicked a penalty, then Bennett replied with two. Wilson dropped a straight goal to level matters but then Hughes broke sweetly down the centre and though his pass inside went down, Roberts tapped the ball forward and, mindful no doubt of his fellow lock, Howcroft's recent try scoring feats, picked up and drove over for an unconverted try. Grant's second penalty made it 10—9 at the interval.

Four minutes into the second half Bennett, in the sort of form that makes him look like the England stand-off half he was three seasons ago, drew three defenders before feeding Shanklin and a quick transfer put Rees clear for his first try. His second came courtesy of Scottish. Grant declined to put a long diagonal kick by Bennett into touch but shovelled a pass inside to Lawson. The scrum half made ground to his 25 then slipped a careless reverse pass to Wilson, the ball bounced kindly for Shanklin and there was Rees for the try.

Bennett could convert neither but he banged over a penalty and then improved a superbly constructed Welsh try. The ball came back from a scrum 10 yards out and Rees burst on to a scissors pass from Hughes to cleave the defence for his third try. The last word was Bennett's after the Scottish had kicked away hard-won possession. Inevitably the Welsh back row picked it up and Davies sent his half back partner in for the try which Bennett himself improved.

LONDON SCOTTISH: A. R. Grant (sub. A. Berthiaussen); T. MacNab, M. Risk, A. P. Friell, G. W. Kelly; R. Wilson, A. J. M. Lawson, D. J. Fairbairn, D. Reid, J. A. Fraser (capt), P. Hay, L. M. Forbes, A. A. Stewart, W. M. Goodenough, S. R. G. Pratt.
LONDON WELSH: K. M. Hopkins; C. F. W. Rees, K. Hughes, J. L. Shanklin, R. Ellis-Jones; W. N. Bennett, J. S. Davies; W. Davey (capt), I. Thomas, P. Miller, C. Howcroft, M. Roberts, K. Bowring, E. Lewis, E. Powell.
Referee: G. R. Crawford (London Society).

Stand-off scores all

Bedford put an end to a run of four defeats by beating Richmond with Humberstone, the stand-off half, scoring all 21 points. He scored a first half try which he converted and then added a penalty before the interval when Bedford were down 9—13. After the break with Richmond apparently pulling away he landed four more successful kicks.

Irish miss kicks

London Irish surrendered their unbeaten record, going down 4—6 to Rosslyn Park at Sunbury. Place kicking had a decisive bearing, with the Irish stand-off half, Condon, missing three attempts.

Northampton pipped in storming finish

By Peter West

Northampton's unbeaten march was brought to an abrupt and unexpected halt at the Rectory Field on Saturday when Blackheath, scoring two tries in a storming finish, pipped them on the post, 16—15, with the last kick of the game. No such result seemed likely midway through the second half, with Northampton comfortably in control at 15—6. However their forwards then faded while those of Blackheath waxed ever stronger. Also the home pack seemed not in the least discouraged by a number of handling mistakes behind them, and in the last 10 minutes they produced an uninterrupted stream of possession from every source.

Eventually, the Blackheath scrum half, Hartley, who had been content unselfishly to prime his backs, created a try for Crust on the right wing with a flat, dummying run across his midfield trio. Crust rounded things off by coming inside Cannon, Northampton's No 8, but Williamson missed a conversion within his compass. That made it 10—15.

Minutes later, in injury time, the Blackheath flankers, Driscoll and Jones, provided forceful support behind a scissors move involving the two centres, and the lock, Mainprize, charged over under the posts for Williamson to seal the contest.

One gathers that in previous Northampton games this season the fitness of the pack has been a feature of their play. To what extent, on an afternoon of high Indian summer, their effort on this occasion was sapped by heat, by complacency or, simply, by the strength and doggedness of the opposition, it is difficult to say.

After making a meal of beating Guy's Hospital seven days earlier, Blackheath were entitled to see this as a thoroughly well-earned victory, and local joy was unconfined. They won by a goal, a dropped goal, a penalty goal and a try to a penalty goal and three tries.

At the end of the first quarter, in which Williamson and Carter landed penalties for their respective sides, Blackheath had the edge, thanks to an imposing drop shot, from a tap on the 10 metres line, by Hartley.

It was to be some time, however, before Blackheath established a consistently steady platform at the scrummage and, when they were wheeled on their own put-in, Page fasted on to a sloppy heel for Russell, a fast and acquisitive flanker, to put in Cannon at the left hand corner.

In this period Northampton were mauling more effectively too, but it was from a scrummage that they worked a good try for McGuckian through a miss-pass from Bryan and a timely break by Carter coming into the line. McGuckian, a big and angular left wing, had looked vulnerable to the high ball in defence, but he is an awkward customer when into a stride. Bryan, a former captain of Oxford University, is adding style and judgment to Northampton's midfield play.

There were signs even now of a Blackheath recovery—a strong thrust by Jackson and a clever run by Crust—but the finishing was not tidy enough, and early in the second half they fell further behind when the dashing Bignell, Northampton's right wing, nipped in for a try in pursuit of a deft grub kick by Bryan. Williamson was confounded by the bounce of a light ball on a bone hard pitch which produced frequent evidence of wear and tear, but mercifully, no injuries of a lasting nature.

In a rousing climax by Blackheath, when Lutter's absence at the lineout was felt more than ever by Northampton, Kirk (hooker), Hartley, Crust and Williamson all went close to scoring before the perseverence and stamina of the home pack got their desserts. No doubt the imminent return of their promising young stand-off Slater from the United States will bring an added poise and judgment to the club's midfield play.

BLACKHEATH: I. Williamson (captain); A. Crust, S. Jackson, J. Pitts, C. Kibble; P. Winder, J. Hartley; D. Wookey, I. Kirk, J. Stokoe, R. Hill, W. Mainprize, T. Jones, E. Bignell, D. Driscoll.
NORTHAMPTON: P. Carter; P. Bignell, J. Cubitt, D. Pinches, P. McGuckian; T. Bryan, J. Page; N. Fox, P. Johnson (captain), G. Pearce, G. Wright, G. Poole, P. Sweet, V. Cannon, S. Russell.
Referee: P. J. Kingham (London Society).

Conquering Kerry

Kerry pulled off a big surprise in the All-Ireland Gaelic football final, at Croke Park yesterday, when they beat Dublin by five goals and 11 points (26 pts) to 11 points. Nefligan, the Kerry goalkeeper and MacCarthy, a Dublin forward, were sent off.

Victory for Britons

Buenos Aires, Sept 24.—Two Britons, Andrew Cowan and Colin Malkin, driving a Mercedes 450 SLC, won the South American rally, according to provisional results today. Cowan and Malkin reached the finish at Magdalena, south of here, with the fewest penalties of the 25 cars remaining

Rugby Union results

Aberavon	13	Cardiff	14
Abertillery	7	Maesteg	16
Bath	15	Exeter	9
Birmingham	9	Lydney	14
Bridgend	36	Pontypool	7
Blackheath	16	Northampton	15
Bradford	14	Edinburgh A	6
Broughton Park	6	Gosforth	13
Darlington	9	West Hartlepool	18
Durham City	9	Hull & E Riding	3
Ebbw Vale	7	Pontypridd	15
Fylde	22	Waterloo	13
Gloucester	16	Bristol	16
Harlequins	21	Leicester	9
Headingley	23	Wasps	9
Hinkley	45	Leigh	0
Huddersfield	6	Roundhay	31
Llanelli	15	Moseley	13
London Irish	4	Rosslyn Park	6
London Scottish	9	London Welsh	33
Manchester	11	Birkenhead Park	7
Melrose	9	Harrogate	19
Metro Police	12	Newbridge	4
Middlesbrough	20	Rugby	15
Neath	83	Penarth	3
Northern	15	Percy Park	0
Orrell	44	Halifax	6
Otley	18	New Brighton	0
Sale	22	Coventry	4
Saracens	12	Nottingham	10
Stroud	20	Nuneaton	9
Swansea	16	Newport	9
Vale of Lune	9	Oxford Univ	6
Wakefield	3	Liverpool	16
Widnes	12	Sheffield	19
Wilmslow	19	Langholm	9
Bedford	21	Richmond	19

INTERNATIONAL MATCH: France 55, Japan 16.

Yesterday

Plymouth A	10	Camborne	13
Irish Exiles	18	Munster	15

SCHOOLS MATCHES: Alderman Newton's 12, High Pavement 16; Alleyne's, Stevenage 16, Rickmansworth 6; Ashville 15, Dame Allan's 13; Bablake 43, Lawrence Sheriff 4; Bancroft's 26, UCS 0; Barnard Castle 12, Woodhouse Grove 13; Boystone Tech 6, Crown Woods 6; Bedford 3, St Edward's 29; Belmont Abbey 6, Cheltenham GS 12; Beverley 15, Ernest Bevin 14; Bishop Vesey's 30, John Willmott 12; Blackpool Collegiate 6, Cockermouth GS 3; Bloxham 12, St Bart's, Newbury 0; Bradford GS 16, Leeds GS 0; Brighton 0, St John's, Leatherhead 10; Brockley County 9, Langley Park 24; Broxbourne 12, Cheshunt 7; Bryanston 41, Monkton Combe 10; Caterham 33, Ruilish 9; Chatham House 15, Rochester Maths 3; Chislehurst & Sidcup 16, Campion 23; Churcher's 36, King Edward VI, Southampton 3; Christ, Brecon 21, King's, Worcester 6.

Clayesmore 3, King's, Bruton 40; Clifton 6, Queen Elizabeth's Hospital School 10; Colchester RGS 11, St Joseph's, Ipswich 8; Colfe's 0, Haberdashers' Aske's 9; Culford 28, Norwich 9; Dartford GS 19, Howard 10; Dean Close 0, Whitefriars 23; Dulwich 13, Old Alleynians 11; Dunsmore 6, Wyggeston 14; Ellesmere 4, Bromsgrove 6; Emanuel 10, St Brendan's 6; Eton 6, Douai 6; Falmouth 9, Truro 13; Glenalmond 28, Edinburgh Wanderers Jnrs 6; Gravesend 37, Eaglesfield 0; Gresham's 20, Holt RFC Colts 3; Guildford RGS 22, Cranleigh 10; Gannersbury 7, Haydon 12; Haberdashers' Aske's, Elstree 7, Old Haberdashers 3; Harrow 19, Old Harrovians 6; Hardye's 4, Canford 39; High Wycombe RGS 26, St Edmund's, Ware 15; Ripperholme GS 12, Doncaster GS 9.

Hitchin GS 7, Watford GS 27; Hurstpierpoint 32, Burgess Hill RFC 3; Kelly 19, Exeter 0; Kent College, Canterbury 17, King's, Rochester 0; King Henry VIII, Coventry 26, KES Lichfield 13; King's, Peterborough 11, Perse 3; King's, Taunton 12, Pelicans 19; Leighton Park 17, Lord Wandsworth 25; Loretto 13, Fettesian-Lorettonians 16; Loughborough GS 9, Nottingham HS 3; Maidstone GS 9, Skinners' 17; Marling 4, Cheltenham 0; Merchant Taylors' 4, Mill Hill 6; Monmouth 13, Marlborough 12; Newcastle RGS 8, King's, Tynemouth 4; Oakham 7, Oundle 25; Oxford 0, Lord Williams's, Thame 40; Portsmouth GS 10, Bishop Wordsworth 17; Queen Mary GS, Walsall 30, Abbot Beyne 4; Reading 48, Stoneham 3; Redrice 0, Shiplake 40; Richard Hale 0, St Ignatius 8; Rossall 23, Denstone 3.

Roundhay 0, Hymers 26; Royal Latin 3, Aylesbury GS 38; Rydal 28, Liverpool College 4; St Bees 18, Old Boys 20; St George's, Harpenden 5, Berkhamsted 43; St Joseph's, Stoke 3, Newcastle-under-Lyme HS 0; St Marylebone 16, Chiswick 31; St Mary's, Crosby 9, De La Salle, Salford 48; St Mary's, Sidcup 29, St Joseph's Academy 4; Sedbergh 34, Durham 3; Sevenoaks 0, Eltham 14; Shebbear 22, Blundells II 0; Sir Roger Manwood's 13, St Lawrence 26; The Leys 0, Stamford 32; The Leys XV 6, Ipswich 6; Tonbridge 14, Judd 10; Verulam 9, Queen Elizabeth, Barnet 7; Wallington HS 40, St Olave's 3; West Buckland 0, Plymouth College 78; Westcliffe HS 53, Old Westcliffians Colts 12; Whitgift 25, St George's, Weybridge 16; Worth 73, Reed's 3; Wrekin 19, Adams School 0.

SCHOOLS MATCHES: Alleyn's, Dulwich 8, Latymer Upper 1; Burlington Danes 5, Furzedown 2; Campion 2, Romsey 0; Dudley 1, Malvern 2; Hampton 2, Greenshore HS 0; Harvey, Folkestone 5, Norton Knatchbull, Ashford (Kent) 0; St Joseph's, Beulah Hill 3, Sutton Manor 2; Wellingborough 0, Northants County Youth 1.

When time and Sale caught up with Coventry

By Tom Cooban

Time has caught up with Coventry, and it showed when Sale beat them at Brooklands by two goals, a penalty goal and two tries (23pts) to a try (four). The solidity which once made them such doughty opponents has now become inflexibility. All their moves were to a pattern.

Their scrummaging remained effective, and Darnell, Ninnes and Pardoe won possession in the lineouts but agility and inspiration were lacking when the ball was loose. This was true of the backs, also. Grimshaw's passes from the scrummage to Cowman were laboured, and the stand-off did not make the best use of few good opportunities.

Duckham started on the wing, but moved to centre, in an attempt to sharpen the attack. He, too, had an off day, and rarely got past opponents in the style of his international days.

Sale were quite different. Ably captained by S. Smith, their scrum half, they showed spirit and invention. The pack quickly supported attacks, and tackled in text book style. Smith, slimmed down from his international days, gave his usual long and accurate pass from the scrummage, but even more valuable was his able direction of operations.

Smith had telling support from Phillips, his stand-off. Of athletic build and gifted with a rate of acceleration which left Coventry flat-footed, Phillips sold some spectacular dummies. He kicked well, too, scoring a penalty and two conversions—one of them from the touch line.

Three of Sale's tries were scored by Clifford, their young right wing, who came in for the injured Percival. The left wing, McCoughley, scored the other. All four tries came from exciting moves. When Clifford scored the first, four players carried the ball from a lineout on the left wing. Phillips sold a dummy before sending Clifford in for the second, and before half time McCoughley ran down the left wing and scored behind the posts.

Starting the second half 19 points ahead, Sale had less incentive to put on pressure. For a while, Coventry played more effectively, and Coulthard took Duckham's pass to score. Other chances were missed, however, and Coventry's shortcomings were emphasized when Phillips again sold two dummies for Clifford to score his third try. The Coventry of yesteryear would never have fallen for that trick, again.

SALE: R. Baker; M. Clifford, A. Bond, A. Dunning, A. McCoughley; A. Phillips, S. Smith (captain); I. Kirton, A. Simpson, T. Simon, R. Trickey, C. Genders, R. Creed, G. Osmond, I. McKie.
COVENTRY: S. Hall; D. Duckham, P. Coulthard, D. Foulkes, S. Maisey; A. Cowman, C. Grimshaw; F. Melvin, R. Hobson, R. Dingley, I. Darnell (captain), B. Ninnes, S. Oliver, R. Pardoe, M. Scott.
Referee: D. Hudson (Manchester).

French racing

Homing overwhelmed by Sanedtki's finish

From Desmond Stoneham
French Racing Correspondent
Paris, Sept 24

Sanedtki, a 1,105-guineas yearling, reversed recent placings with Homing in this afternoon's group one Prix du Moulin de Longchamp in a spectacular manner. Three weeks ago Homing beat Sanedtki by four lengths in the Prix du Rond-Point, but, with the weights to her advantage today, the filly defeated Homing by a comfortable two lengths. Nishapour finished five lengths away third in front of Gracioso, Carwhite and Lypheor, who will stand next year at the Baroda stud in Ireland.

As expected, William Carron was not long in taking Homing into the lead and, when the field settled down, the order was Homing, Kaldoun, Nishapour, Kenmare, Carwhite and Lypheor, with Sanedtki last of all. When the runners reached the straight, Homing had built up a three-length lead from Nishapour, and Sanedtki still had a monumental task.

A furlong and a half from the post, while Homing was still maintaining a handsome advantage, Sanedtki found a gap between Lypheor and Formidable. A furlong out Sanedtki was still several lengths down on Homing, but, such was the acceleration of the filly that she was two lengths to the good at the line.

Sanedtki will make her final appearance on a racecourse in the Prix de la Forêt on October 22. She will then be flown to the United States to be mated with either Nijinsky or Lyphard. Homing ran another great race and may turn out for next Saturday's Queen Elizabeth II Stakes at Ascot. As an alternative, Dick Hern has the Grosser Kaufhof Preiss at Cologne on October 8. Although beaten today, Homing still has the course record, set in the Prix du Rond-Point to his credit. The winner's time this afternoon was fast, but 2.3sec outside the record.

Nizon took the Prix de Lutece from Act One, Gracias and Bronze Jubilee. Philippe Paquet had no alternative but to take the lead on Nizon soon after the field broke. A furlong from home, Act One loomed up outside Nizon but, after veering towards his opponent One put his head in the air seemed reluctant to extend self.

The winning distance was length and Nizon, who has re been bought by James Wiga Cothran Campbell, will no aimed at the Prix du Conse Paris (October 22) and the Prix Royal-Oak before shipped to America. The race is also the target fo One, who will now, most be fitted with blinkers.

My selection for tomo Prix de Seine-et-Oise is Sir M Sobell's King of Macedon. most likely dangers are Fa Times, Creetown, who will b den by Lester Piggott, and P Deux. King of Macedon las Creetown in the Prix de M at Deauville last month. I race, King of Macedon, wh be 2lb better off tomorrow Creetown by a total of tw three quarter lengths.

Faraway Times ran thi Kenmare and today's Sanedtki in last month's Jacques le Marois. Previous colt took the Prix de la Maillot by three lengths Gracioso. Since returning Deauville, Creetown has minor race at Brighton and Deux has performed badly winning the Prix du Palais in May, but will have the in his favour.

PRIX DE LUTECE (Group III £13,333: 1m 7f)
Nizon, ch c, by Nijinsky—Smiling (W. Cothran Campb 9-1 .... P. Pa
Act One, ch c, by Stage Johnny—Quick to Learn Spoelman), 9-1 ...... F.
Gracias, b c, by Tapioca—Gr (Mrs P. Ribes), 9-4 J. C. De
ALSO RAN: Bronze Jubilee Hisham. 5 ran.
PARI-MUTUEL: win, 3.30fr 1.50, 1.50. F. Boutin. ¾l, 20.4sec.

PRIX DU MOULIN (Group I: 1m)
Sanedtki, b f, by Sallust-Fortin Fradkoff), 3-8-13 .. A. Leq
Homing, b c, by Habitat—Hea Thought (Lord Rotherw 3-8-12 .... W. C
Nishapour, gr c, by Zedda Alama (Aga Khan), 3-8-12 H. Sa
ALSO RAN: Gracioso (4th white, Lypheor, Kaldoun, Formidable, Dom Racine. 10 r
PARI-MUTUEL: win, 6.30fr 1.50, 1.70, 2.70. O. Douieb. 1min 37.9sec.

PRIX DE SEINE-ET-OISE (Group III: 2-y-o: £11,111: 6f

011324	Colombian Friend, A. Paus, 6-9-8	
203031	Creetown, R. Sheather, 6-9-8	L
111013	Faraway Times, B. Secly, 4-9-8	E.
212111	King of Macedon, J. Cunnington, jun, 4-9-8	M. P
00-1000	Pas de Deux, F. Boutin, 4-9-8	P
1343-40	Winbella, E. Carlier, 3-9-3	
130110	Elezinha, C. de Watrigant, 3-9-3	M
043021	Nedsatki, O. Douieb, 3-9-3	A.

4-5 King of Macedon, 11-4 Faraway Times, 8-1 Pas de Deux, 10-1 C 14-1 Colombian Friend, 16-1 Winbella, 25-1 others.

Irish racing

Inkerman likely contend for Champion Stakes

From Our Irish Racing Correspondent
Dublin, Sept 24

Inkerman finally dispelled the illusion that he was just another "talking horse" by giving a display of true brilliance to win the Joseph McGrath Memorial Stakes over 10 furlongs at Leopardstown on Saturday. This was Inkerman's firs success since winning the Gallinule Stakes at The Curragh in early summer.

He was the favourite for the Derby but he swallowed his tongue at Epsom and finished very far back and thereafter failed three more times over one and a half miles. Vincent O'Brien swung round to the view that Inkerman had inherited much of the speed of him dam Crimea rather than the staying power of his sire Vaguely Noble.

Lester Piggott likewise accepted the view and having originally accepted the mount at Leopardstown on Sexton Blake switched mounts later on Friday and not for the first time on such occasions picked the right one.

With the ground riding firm Piggott sent Inkerman early lead and thereafter total command looking b his shoulder several time straight as Sexton Blake four lengths at the line, ingly attempted to get o Inkerman, a partnersh who races in the name Simon Frasea, is now a challenger for the C Stakes at Newmarket and if Sexton Blake will take again.

Shack was held by t youngster Sandy Creek Larqspur Stakes. Sandy victory paid tribute Hills's Tap On Wood, beaten him in the Nation at The Curragh.

The other group three t old pattern race the Silke Stakes for fillies was won March, like Sandy Creek at The Curragh by Con This must be a useful stay for she got into a lot of at the halfway stage and s from virtually last place into the straight to win and a half lengths.

Newbury results

2.0: 1, Dasman (9-2); 2, Smackover (evens fav); 3, Leguard (8-1). 7 ran.
2.30: 1, King of Spain (9-1); 2, Main Reef (85-40 fav); 3, Hardgreen (9-2). 8 ran.
3.0: 1, Piccadilly Line (7-2); 2, Vital Season (6-1); 3, Monkey Corners (9-4 fav). 8 ran.
3.30: 1, Pams Gleam (14-1); 2, Mon Chat (9-4 fav); 3, Saltcloth (8-1). 8 ran.
4.0: 1, Valeriga (13-2); 2, Dare Me (11-4 fav); 3, Sander's Lad (11-1). 17 ran.
4.30: 1, Quiana (5-2); 2, Sandford Boy (6-4 fav); 3, Eddie (13-2). 14 ran. Malven did not run.

Catterick Bridge

1.45: 1, Bentinck Hotel (8-1); 2, Dimo A Dance (100-30); 3, Mantle (9-4 fav). 13 ran.
2.15: 1, Trillionaire (8-11); 2, Fair Louise (9-1); 3, Mr Snow. 8 ran.
2.45: 1, Nicholas Grey (13-8 fav); 2, Barocchetto (8-1); 3, Marmourah (14-1). 11 ran.
3.15: 1, Latudarum (7-1); 2, Yeirebmik (25-1); 3, Ladies Bell (7-2). Who's Free 3-1 fav. 14 ran.
3.45: 1, Gin and Lime (7-2); 2, Hand Over Fist (4-1); 3, Illberight (9-1). Norfolk Dance 11-8 fav. 8 ran. Mistress Bay did not run.
4.15: 1, Cumnock Scouse (5-2 fav); 2, Croft Close (5-1); 3, Lunesdale (12-1). 12 ran.
4.45: 1, Jack Fox (3-1 fav); 2, Mai Pussy (4-1); 3, Pettis (33-1). 12 ran. Kalmiaw did not run.

Ayr

1.30: 1, Soldor (14-1); 2, Celtic Halo (7-2); 3, Our Melody (13-8 fav). 7 ran.
2.0: 1, Disc Jockey (9-2 jt-fav); 2, Whitby Jet (5-1); 3, Flash Fire (9-2 jt-fav). 8 ran. Dust-Up did not run.
2.30: 1, Killer Shark (10-1); 2, Serigma (15-2); 3, Cutting Comment (9-1). Melody Moon 5-2 fav. Swagger Stick did not run.
3.0: 1, Sea Pigeon (5-2 fav); 2, Lochranza (10-1); 3, Le Soleil (5-1). 8 ran.
3.30: 1, Pippin Gill (10-1); 2, Quarry Bank (10-1); 3, Make Beach

(11-1). Our Foxbar and Cl jt-favs. 16 ran. Allington. Mi and Tina's Gold did not run.
4.0: 1, Abbeydale (7 Chalumeau (16-1); 3, Slip (15-2). Sweet and Lovely 13 ran.
4.30: 1, Funny Spring (6-4 Cherry Picking (11-2); 3, Wh Lady (20-1). 13 ran.

Bangor-on-Dee N

2.0: 1, Poverty Bonk (5-1 (11-2); 3, French Bridge Castle Peep 2-1 fav. 8 ran. did not run.
3.30: 1, Merry Logs (Nikancy (25-1); 3, Brerold (evens fav). 6 ran.
3.0: 1, Low Profile (evens Collins (10-1); 3, Flittermen 4 ran.
3.30: 1, Reoman (33-1); Clip (6-1); 3, Gin N'Lim Gentleman at Arms 5-2 fav.
4.0: 1, Quizrater (6-1); Grimes (11-2); 3, Jomy Princ Hot Cross Bun 2-1 fav. 8 r
4.30: 1, Double Action (1 Border Brief (9-4); 3, Nickleby II (4-6). 4 ran.

Warwick NH

2.0: 1, Call-Me-Morials Tickets (13-2); 3, Ad Lib (5- Prince 4-1 fav. 9 ran. Pactio run.
2.30: 1, Kelly's Hero Naval Power (4-1). 3 ran finished).
3.0: 1, Jackstones (9-1); star (33-1); 3, Porto Rico ran. Nemon 4-7 fav. 8 ran.
3.30: 1, Prince Kumar VI 2, Running Fawn (33-1); 3, (9-4). 7 ran. Chan did not r
4.0: 1, Cabin Boy (1 Niagara Rhythm (9-4 fav); Meadow (4-1). 12 ran. Jin and Uncle Calpi did not run
4.30: 1, Baronial (4-9); 2 King (7-2); 3, Flameproof 8 ran.
5.0: 1, Erstang (2-1 Supernaculum (11-1); 3 (6-1). 12 ran. Brother Go Karakorum did not run.

Rugby League

Blackpool ready to show off brightness

By Keith Macklin

On Saturday next the Australian touring team will begin their visit to Britain with a game at Blackpool, against the local second division side. The fixture will give the visitors, who arrive in Britain on Thursday, a day at the seaside, a look at the famous illuminations and, it has been presumed, a comfortable opening victory.

The victory eventuality may not be as simply achieved as expected. The holders of the John Player Trophy, Warrington, were shaken out of their stride by some tenacious Blackpool Borough tackling yesterday, and after a first half without a single try, the second division side led 4—2.

In the second half it was the keenness of the Blackpool side which led to their undoing. Some impetuous tackles, and some heated dissent, cost a series of unnecessary penalties, and Hesford kicked Warrington into the lead with three successful shots at goal.

Late in the game, after Warrington had lost their hooker Dalgreen and scrum half Gordon through injury, respectability and realism overtook the scoreline when Bevan and Hunter scored late tries for a Warrington side distinctly out of sorts.

For the second time in a fortnight, Oldham travelled to Humberside to be trounced by more than 60 points. Hull Kingston Rovers emulated their neighbours, Hull, by beating the Lancashire side 67—11. Ten of the Rovers players scored the tries and Hall, a try scorer himself, kicked 11 goals from 15 attempts.

The biggest cheer of the afternoon came for a vain and isolated score. The remaining amateur side, Milford, were well beaten at Bramley by the more powerful and experienced senior side, Dewsbury, for whom Stephenson scored a try and kicked seven goals. When Loveday scored a lone second half try for the amateurs, and Connor converted, the spectators rose to their feet. The scenes at the end of the game were quite emotional. The spectators, the Dewsbury players, and the three match officials formed a tunnel to applaud the amateurs to the dressing rooms.

Huyton have become the draw specialist of Rugby League in a sport where draws are a rarity. They achieved their fourth draw in four matches, all played away from home, when they held the newly promoted Leigh 13—13. Indeed, Huyton were the better side, and with a little more concentration in attack could have won. Huyton scored two tries, by O'Neill and Burke, against one by Platt for Leigh, but Fiddler kicked five goals for the home side.

Widnes will inevitably be among the favourites for a place in the final. In their win at Huddersfield, Aspey, at centre, who is in great form, scored two tries, one of them from a handling movement starting inside the Widnes 25 line. Burke, the young wing from Waterloo Rugby Union Club, continued his splendid form in his first season with a try and three goals.

JOHN PLAYER CUP: First round: Leigh Miners Welfare 9, Halifax 31; St Helens 16, Leeds 11.

Yesterday

Doncaster 2, Wigan 30; Workington Town 17, Bramley 8; Barrow 8, Bradford Northern 26; Milford Amateurs 5, Dewsbury 38; Wakefield 27, Batley 3; New Hunslet 7, Hull 17; Leigh 13, Huyton 13; Huddersfield 10, Widnes 21; Keighley 20, York 4; Warrington 14, Blackpool Borough 4; Hull Kingston Rovers 67, Oldham 11; Whitehaven 3, Featherstone Rovers 9.

Motor cycling

Sheene beats rival and steals his lap record

Barry Sheene yesterday demonstrated to his home crowd that, although his world championship crown may have passed to Kenny Roberts, he still believes himself to be the best in the world. In a race over 24 laps at Donnington Park, he and Roberts fought out a needle match that had 50,000 supporters cheering with excitement.

Throughout, the two were never more than a length apart. When Roberts's Yamaha ran out of fuel, two laps from the close of the 47-mile event, Sheene was able to cruise home comfortably clear of Potter. Supporters of Roberts hoped to go home with the consolation of a new outright record to his credit but, in the dying moments of the meeting, Sheene shattered Roberts's newly won record with a lap at the remarkable speed of 93.83 miles per hour as he dead-heated in the superbike event, with Takazumi Katayama.

Kork Ballington, the world champion in the 250cc and 350cc won both events. He thus retained his record of never having been beaten at Donnington Park.

RESULTS: 125cc (19.57 miles): 1, B. Johansson (Sweden), Morbidelli, 14min 33.3sec; 2, C. Horton, Morbidelli; 3, J. Kernan, Morbidelli. 250cc (23.49 miles): 1, K. Ballington (SA), Kawasaki, 16:10.7; 2, M. Grant, Kawasaki; 3, M. Fontan (France), Yamaha. 350cc (29.36 miles): 1, K. Ballington, Kawasaki, 19:39.6; 2, M. Grant, Kawasaki; 3, T. Rutter, Yamaha. 500cc (39.36 miles): 1, W. Hartog (Netherlands), Suzuki, 19:28.9; 2, T. Lansivuori (Finland), Suzuki; 3, D. Potter, Suzuki. Superbike (35.23 miles): 1, B. Sheene, Suzuki, and T. Katayama (Japan), Yamaha, 23:8.6; 3, B. Ditchburn, Yamaha. International road race (46.97 miles): 1, B. Sheene, Suzuki, 30:58; 2, D. Potter, Yamaha; 3, T. Katayama, Yamaha. Sidecar (23.49 miles): 1, J. Taylor and J. Neil, Yamaha, 18:0.5; 2, A. Michel (France) and S. Collins, Yamaha; 3, R. Hanks and D. Williams, Yamaha.

Ice hockey

Copenhagen: European Cup: First round (second leg) Star Manglerud (Norway) beat Rødovre (Denmark), 7—3, (0—2, 3—0, 4—1) (first leg) 2—2. Star Manglerud won 9—5 on aggregate.

Motor racing

Jarier stands in for Peterson at Watkins Glen

Nogent le Rotrou, France, Sept 24.—Jean Pierre Jarier, the French grand prix driver, is to take the place of Ronnie Peterson, of Sweden, in the John Player Lotus team for the United States Grand Prix at Watkins Glen next Sunday.

Peterson, who was Lotus's No 2 driver, died from the injuries he sustained in a crash shortly after the start of the Italian Grand Prix two weeks ago.

Jarier has not appeared in a formula one grand prix since May. Last season, driving a Shadow, he came ninth in the United States Grand Prix one lap behind the winner, James Hunt of Britain. Jarier will join the new world champion, Mario Andretti.

Nelson Piquet, a Brazilian driver, is to join the former world champion, Niki Lauda, in the Brabham-Alfa Romeo team for next season's championship. Piquet, who is 25, raced in this season's championship in a McLaren. He will replace John Watson, who is almost certain to become No 1 driver for McLaren in place of Peterson.

Plumpton N H programme

2.15 KINGSTON CHASE (Handicap: £1,127: 3m)
4-44 Ballyhoura Hill (C.D), 12-12-0 .. Mr S. Andrews 7
p3-0 Old Smokey, 9-10-13 J. Francome
43p Nobiero, 7-10-0 .. R. Champion
100 Buffalo Bill, 9-10-0 .. Joe Guest
13-8 Ballyhoura Hill, 9-4 Old Smokey, 7-2 Nobiero, 4-1 Buffalo Bill.

2.45 SEPTEMBER HURDLE (£410: 2m)
442 Bishop Burton, 15-11-6 S. May
1f1 Bonidon, 9-11-6 .. R. Rowe 7
320 David's City, 8-11-6 Joe Guest
0-01 Franwin, 12-11-6 .. G. Gracey 7
30-0 Oh Brother, 11-11-6 R. Goldstein 7
4 Getaway Girl, 4-11-0 .. C. Brown
5-2 Bishop Burton, 3-1 Bonidon, 4-1 David's City, 5-1 Franwin, 8-1 Getaway Girl, 10-1 Oh Brother.

3.15 STEYNING HURDLE (Handicap: £650: 2m)
141 Jack Jiggs (CD), 6-12-6 J. Akehurst
Lagore Lady, 6-11-3 E. Butler
00-0 Tumble Rock, 7-11-2 G. Pulson
0-00 Red Ambion, 6-10-11 G. Gracey
310 Living For Kicks, 4-10-10 B. McGarrigle
p00- Tumpion, 4-10-6 .. H. Davies
30-0 Sammy Souza, 4-10-5 .. J. Kear
00-0 King Jamie, 4-10-0 .. I. Cox
4-5 Jack Jiggs, 7-2 Living For Kicks, 5-1 Red Ambion, 8-1 Tumble Rock, 10-1 Tumpion, 16-1 others.

3.45 SOUTH DOWNS CHASE (Handicap: £1,144: 2m)
0u-f Colonius, 9-11-13 .. M. Floyd
pp0- Hill Fly, 6-10-0 T. Muggeridge 7
p34 Straight Scotch, 11-10-
1-2 Colonius, 3-1 Hill Straight Scotch.

4.15 HOVE HURDLE £536: 2m)
313 Splendid Again, 11-7 B.
Double-Header, 11-0
Glab, 11-0 .... G.
Nilustina, 11-0
p0 Will Hard, 11-0 .. M.
3f0 Broadway Belle, 10-9
Club Royale, 10-9 M.
33 Court Gold, 10-9
4 Groovy, 10-9 .... I.
Limit Up, 10-9 .... B.
0 Magnesite, 10-9
0 Noseband, 10-9 .. R.
Ohms Law, 10-9
Partnerplan, 10-9
24 Rechad, 10-9
30 Techmatic, 10-9 .... J.
0 Young England, 10-9
2-1 Splendid Again, 3-1 Co 4-1 Groovy, 5-1 Rechad, 8-1 plan, 12-1 Limit Up, 16-1

4.45 FIRLE CHASE (N £652: 2m)
2-11 Frisky Doogan, 6-12-3 J.
003- Bold Saint, 6-11-2 Mr J. P
00-3 Daventry, 6-11-2
000 Detling, 12-11-2 Mrs P.
40p- Glanfield, 6-11-2 .. R.
23u Kellagem, 6-11-2 .. D.
03-3 Organised Confusion, 7-
000 Preference, 6-11-2 .. R
4-7 Frisky Doogan, 5-1 K 6-1 Organised Chaos, 10-1 Bol Daventry, 16-1 others.

SELECTIONS: 2.15 Ballyhou 2.45 Bishop Burton, 3.15 Jac 3.45 Colonius, 4.15 Court Go Frisky Doogan.

SPORT

Racing

Stewards should spare Eddery

By Michael Phillips
Racing Correspondent

By and large this has not been a good season for Vincent O'Brien, bearing in mind the cost and the quality of the horses that he has in training at Ballydoyle and especially when one recalls how he carried all before him only a year ago. A virus has been primarily to blame, but at long last there are signs that he can reasonably have to reap a rich if somewhat late harvest this autumn.

After lying low all summer, Alleged is now the hot favourite to win the Prix de l'Arc de Triomphe for a second time next Sunday and thus emulate his great grandsire, Ribot. And Solinus would be hard to beat, too, in the Prix de l'Abbaye, which has often been easy prey for cross-channel raiders. O'Brien told me yesterday that Solinus was none the worse for his race at the Curragh last Wednesday and that he would definitely accompany Alleged to Longchamp.

He also assumed me that Alleged had thrived since his return to Ireland after winning the Prix du Prince d'Orange nine days ago, and that he has put back on all the weight that he lost during his most recent escapade. Many trainers do not worry about what their horses weigh, but like Harry Wragg, O'Brien has always done so: indeed, he regards their weight as being a barometer by which their well being can be judged. Apparently Alleged's best racing weight is 484 kilos. That was what he was before his recent race in France, and that is what he weighs again now. Incidently, Ladbrukes latest prices on the Arc are: 6-4 Alleged, 6-1 Acamas, 7-1 Dancing Maid, 12-1 Gay Mecene, Trillion, 14-1 others.

Twelve months ago O'Brien was confident that Alleged would win the Arc. Yesterday I asked him whether he thought that the colt was in the same brilliant form. "I think that he answered that question himself by breaking the course record at Longchamp the other day, don't you?" was his reply. Before any big occasion, any trainer no matter who he is, likes to derive encouragement from one source or another.

At Leopardstown on Saturday O'Brien got all the encouragement that he needed when one of Alleged's regular galloping companions, Inkerman, won the Joe McGrath Memorial Stakes very easily indeed. And he will be doubly heartened if he watches Nonoalco's younger half brother, Stradivinsky, win the Queen Elizabeth II Stakes at Ascot next Saturday while on his way to Paris.

With the 2,000 Guineas winner, Roland Gardens, the Jersey Stakes winner, Camden Town, and last year's Gimcrack Stakes winner Tumbledownwind also in the line-up, the Queen Elizabeth II Stakes should be a memorable race this season. Later in the day, Henry Cecil's unbeaten Lyphard colt, Lyphard's Wish, will surely be all the rage for the Royal Lodge Stakes, and with good reason. At Newbury on Saturday, Main Reef provided further evidence not that it was needed, of the strength of Cecils hand when he was first past the post in the race for the Mill Reef Stakes.

Being by Mill Reef, Main Reef would have been a singularly appropriate winner of that prize, but in the last furlong he blatently transgressed the rules of racing by hanging to his right and hampering King of Spain. Anyone who saw the camera patrol film taken from head-on as I did, could only go along with the stewards' decision to disqualify Main Reef and award the prize to the runner-up.

As Patrick Eddery was given a seven-day suspension for a similar offence at Great Yarmouth earlier in the week, Joe Mercer may well have been lucky to escape being punished, especially as he has been suspended twice already this season for careless riding. Mercer had his whip in his left hand all the while on Saturday, and made no visible attempt to stop Main Reef hanging to his right. In the circumstances, Eddery can justifiably feel hard done by and I hope that the disciplinary stewards of the Jockey Club will take this point into consideration when they hear his appeal.

I watched the Mill Reef Stakes from the top of the stands, and it was clear from there that King of Spain, who had stood out in the paddock beforehand, had had an awful run. On dismounting, the handsome colt's jockey, Paul Cook, was the first to agree. "And what's more, he flattened me", Cook muttered as he stalked off into the weighing room to lodge an objection. King of Spain and Main Reef may well clash again in the Middle Park Stakes at Newmarket on October 5. Mercer is convinced that Main Reef will do the better then, but needless to say Cook has other ideas, and I will not be surprised if he is right.

That polished young rider, Michael Wigham, landed a fine double when he won the Newbury Autumn Cup on Piccadilly Line and the Peter Hastings Stakes on Pam's Gleam. In each instance he had little in hand at the end over older and more experienced riders. Piccadilly Line is now firmly entrenched as favourite to win the Cesarewitch, which is being sponsored by the Tote this year. They have him at only 8-1.

As far as the future is concerned, it may be worth noting that Edward Hide did not shine on Monkey Corners, who finished third to Piccadilly Line, both in my view and that of the colt's trainer, John Dunlop. In lying far too far out of his ground, he committed the same crime that Greville Starkey had done earlier in the day on Smackover in the Arlington Stakes.

Starkey has not been guilty of making many mistakes this season, but this was undoubtedly one of his rare errors. Smackover was flying at the end, but his challenge was far too late and he was unable to catch Dasman.

STATE OF GOING (official): Bath: Hard. Plumpton: Good to firm. Leicester: Good to firm. Hamilton Park: Good to soft. Lingfield Park (tomorrow): Hard. Sedgefield: Hard.

Hawaiian Sound in demand

An invitation to run Hawaiian Sound, recent winner of the Benson and Hedges Gold Cup, in the Washington DC International at Laurel, Maryland on November 4 has been made by the Laurel president, John D. Schapiro. Hawaiian Sound, who is trained by Barry Hills, carries the colours of Robert Sangster.

The three-year-old son of Hawaii and Sound of Success was beaten by Shirley Heights in a photo finish for this year's Epsom Derby, was third in the Irish Sweeps Derby behind the same horse, and then ran third to Ile de Bourbon and Acamas in the King George VI and Queen Elizabeth Diamond Stakes at Ascot.

Hawaiian Sound was ridden on each of these occasions by William Shoemaker, but had the former English champion jockey, Lester Piggott in the saddle when he won the Benson and Hedges Gold Cup over a mile and two and a half furlongs at York last month. Behind him in the York race was Balmerino, the New Zealand horse who finished fourth to Johnny D, Majestic Light and Exceller in last year's Washington DC International. Hawaiian Sound will have his next race in the Champion Stakes at Newmarket on October 21. Acceptors for the International already include Exceler, the top grass horse in California this year, and Noble Dancer, a recent six lengths winner of the United Nations Handicap at Atlantic City.

Bath programme

2.0 AUTUMN STAKES (£748: 1m 8yd)

3 032210 Silart, W. Wightman, 4-9-0 ... P. O'Leary 8
4 2000-00 Cindasong, N. Callaghan, 4-8-11 ... P. Eddery 6
5 10-0000 Deaney's Delight (C), J. Haine, 4-8-11 ... — 7
6 022410 Isobel's Choice, R. Hollinshead, 4-8-11 ... T. Ives 3
7 0-40022 Patronellie, C. Benstead, 4-8-11 ... B. Rouse 4
8 000000 Rosehetta, D. Plant, 4-8-11 ... — 1
0-02310 Tawdy (CD), D. Ringer, 4-8-11 ... J. Matthias 2
1-30 Atlantic Warrior, P. Cole, 5-8-8 ... G. Baxter 9
300- Eight of Hearts, C. Hill, 5-8-5 ... R. Sidebottom 7 5
New Hand, P. Makin, 5-8-5 ... — 10

9-4 Atlantic Warrior, 7-2 Patronellie, 4-1 Isobel's Choice, 11-2 Tawdy, 8-1 Silart, 12-1 others.

2.30 TORMARTON STAKES (2-y-o: £1,457: 5f)

0 Gregorys Gold, G. Balding, 9-0 ... R. Weaver 14
000 Lucky Man, P. M. Taylor, 9-0 ... T. Rogers 4
002 Quantum Major, D. Whelan, 9-0 ... — 1
00 Red Streamer, C. Benstead, 9-0 ... B. Rouse 6
00000 Stars At Night (B), D. Laing, 9-0 ... — 11
000233 Still Hope (B), R. Turnell, 9-0 ... J. Mercer 2
Tall Ship, J. Tree, 9-0 ... R. Elliott 13
0042 The Sampson Boys, N. Callaghan, 9-0 ... P. Eddery 15
Barera, M. Salaman, 8-11 ... — 5
0 Casual Affair, B. Swift, 8-11 ... G. Ramshaw 16
Golden Zipper, P. Metcalfe, 8-11 ... — 10
00 Granados Queen, P. Makin, 8-11 ... — 9
00000 Jearint, A. Jones, 8-11 ... — 7
400 Pomander, W. Hastings-Bass, 8-11 ... — 12
20034 Proud Performance, G. Harwood, 8-11 ... G. Starkey 3
00 Splendid Girlie, J. Haine, 8-11 ... — 8
200420 Thumrait Thermidor, R. Hannon, 8-11 ... F. Morby 17

6-4 Still Hope, 5-2 Quantum Major, 4-1 Proud Performance, 7-1 Tall Ship, 8-1 others.

3.0 LUCKINGTON HANDICAP (2-y-o: £1,758: 1m 8yd)

023 01 Avanti Carlo, N. Callaghan, 9-6 ... P. Eddery 5
400203 Mansion Marauder, R. Hannon, 8-10 ... B. Rouse 7
4002 Brandish (B), H. Candy, 8-9 ... R. Curant 4
000400 La Piccolina, P. M. Taylor, 8-6 ... T. Rogers 3
011 Silver Horseshoe, R. Akehurst, 8-1 ... N. Howe 5 1
000150 Killygrange, C. Hill, 7-7 ... P. Robinson 7 8
140000 Phylisia, A. Jones, 7-7 ... — 6
17 00410 Foxley Mel, R. Hannon, 7-7 ... D. McKay 2

7-4 Silver Horseshoe, 11-4 Avanti Carlo, 4-1 Brandish, 6-1 Mansion Marauder, 10-1 Killygrange, 11-1 others.

3.30 LANGRIDGE HANDICAP (£1,622: 1¼m 50yd)

05 131211 Leopard's Rock, J. Dunlop, 3-9-11 ... R. Muddle 5 5
06 0-41230 Bonandra (CD), W. Hastings-Bass, 3-9-2 ... — 4
07 340004 Reclamation, J. Stevens, 4-9-0 ... P. Eddery 6
10 010000 First Break, M. Salaman, 7-8-13 ... A. Cousins 3
13 020442 Topmast, M. Pile, 5-7-11 ... P. O'Leary 1
25 0400-0 Soulou, R. Sturdy, 5-7-7 ... M. Roberts 2

6-4 Leopard's Rock, 9-4 Topmast, 9-2 Reclamation, 6-1 Bonandra, 12-1 others.

4.0 LYEGROVE HANDICAP (£1,686: 5f 167yd)

07 200403 Miss Anabella, N. Adam, 3-8-12 ... P. Madden 8
09 402204 Ravelston (C), I. Balding, 4-8-9 ... J. Matthias 6
10 104342 Boundless (CD), G. Peter-Hoblyn, 4-8-7 ... I. Johnson 9
12 300020 Balante (B), S. Woodman, 4-8-4 ... S. Jewell 7 11
15 240130 Daring Era, P. Cundell, 5-8-0 ... B. Rouse 3
20 000331 Marshall McCloud, N. Vigors, 3-7-12 ... E. Johnson 2
22 240030 Zipperdi-Doo-Dah (CD,B), C. Benstead, 6-7-8 ... R. Street 4
23 22-0000 Hunan, D. Laing, 5-7-7 ... N. Howe 5 7
24 00-0000 Jobina (CD), R. Vibert, 4-7-7 ... C. Ollivier 7 10
25 400000 My Eagle (B), J. Stevens, 9-7-7 ... D. McKay 5
26 1000-00 Raffinrose, J. Haine, 4-7-7 ... — 1

5-1 Miss Anabella, 100-30 Boundless, 4-1 Daring Era, 11-2 Ravelston, 6-1 Marshall McCloud, 10-1 Zipperdi-Doo-Dah, 16-1 others.

4.30 SHERSTON STAKES (3-y-o: £1,011: 1m 5f 12yd)

06 000241 Wareath, R. Sheather, 9-7 ... R. Street 5
08 223201 Moriolly, G. Harwood, 9-4 ... G. Starkey 6
12 000-000 Cumberland Reel (B), J. Bethell, 9-0 ... I. Johnson 7
15 00 Dukes Forte, M. Francis, 9-0 ... T. Rogers 3
17 0-0200 Saved by the Bell (B), J. Tree, 9-0 ... S. Trenuard 7 1
19 0040-00 Belle Chat, D. Whelan, 8-11 ... B. Rouse 2
21 0-00200 Fairy Castle, I. Balding, 8-11 ... J. Matthias 4

3-1 Wareath, 11-4 Saved By The Bell, 7-2 Moriolly, 8-1 Fairy Castle, 10-1 others.

Leicester programme

2.15 GADDESBY STAKES (£790: 1¼m)

Norton Falcon, J. Harris, 5-8-10 ... G. Dale 4
4 00-00 Clems Boy (D), A. Smith, 6-8-5 ... R. McDermott 9
7 401042 Mary Repoin, C. Crossley, 4-8-5 ... M. Banner 6
8 040230 Now Hear This (D), G. Balding, 4-8-5 ... C. Longair 5
2331-00 Sunflight (D), B. Cambidge, 5-8-5 ... — 3
034020 Coffee House, I. Balding, 3-8-0 ... S. Payne 7
5 00000-0 Gullsway, R. Hollinshead, 5-8-0 ... — 1
7 0 Myddle Ianto, J. Harris, 7-8-0 ... J. Harris 8
20-0400 Never Die, I. Walker, 3-7-6 ... S. Walsh 2
00 P. P. Strikes Again, T. Molony, 3-7-6 ... L. Pinto 10

9-4 Coffee House, 11-4 Mary Repoin, 9-2 Now Hear This, 7-1 Never Die, 8-1 Sunflight, 10-1 Gullsway, 12-1 others.

2.45 RANCLIFFE STAKES (3-y-o: £625: 1¼m)

5 0-40000 Comtesse Etoile, S. Kernick, 8-8 ... J. Blanks 5 8
6 0000 Enid May, K. Bridgwater, 8-8 ... R. Fox 6
000402 Guilty Party, R. Jarvis, 8-8 ... M. Thomas 5
10 002240 Immodest Miss, R. Hollinshead, 8-8 ... K. Darley 3 4
11 00-00 Jennifill, A. Smith, 8-8 ... S. Webster 3
000004 Marcher Lord (B), M. Salaman, 8-8 ... A. Cousins 2
0006-00 Our Joan, D. Dartnall, 8-8 ... — 1
000303 Summerfield (B), G. Hunter, 8-8 ... J. Lynch 7

4-6 Guilty Party, 7-2 Immodest Miss, 6-1 Summerfield, 12-1 Marcher Lord, 14-1 Comtesse Etoile, 16-1 others.

3.15 LEICESTERSHIRE HANDICAP (2-y-o: £2,680: 6f)

1 121003 St Hubert (B), W. Hern, 9-7 ... W. Carson 5
2 100214 Steel Trade (D), P. Cole, 9-5 ... S. Eccles 3 11
4 130 Great Tom (D), G. P.-Gordon, 9-1 ... P. Cook 13
5 040230 Torbay Express (B), Mrs R. Lomax, 8-11 ... P. Waldron 8
001200 Bolshevik (D,B), D. Sasse, 8-8 ... J. Reid 7
000310 Astral Suite (D), R. Hollinshead, 8-5 ... K. Darley 3 9
01100 Saintly Princess (D), G. Hunter, 8-5 ... J. Lynch 12
223403 English Gem, W. Marshall, 8-3 ... R. Marshall 2
04200 Tinarack, S. Wainwright, 8-1 ... — 4
0030 Tula Singh (B), R. Jarvis, 7-13 ... M. Thomas 9
014000 Angus Pride (D,B), R. Hannon, 7-13 ... C. Leonard 10
7 020000 Haverhill Lad, A. Goodwill, 7-9 ... C. Rodrigues 3 14
0040 Ice Prince, A. Pitt, 7-0 ... W. Swinburn 7 1
000100 Charig's Company (D), C. Hill, 7-0 ... A. Nesbitt 7 6

15-8 St Hubert, 9-2 Bolshevik, 6-1 Steel Trade, 8-1 Astral Suite, 10-1 Great Tom, Saintly Princess, 12-1 English Gem, Angus Pride, 14-1 others.

3.45 APOLLO HANDICAP (£1,620: 6f)

1 000000 White Wonder (CD), P. Cole, 6-9-5 ... S. Eccles 3 8
4 120210 Etonian, M. Smyly, 3-8-11 ... P. Cook 5
5 130103 Heavenly Choir (CD), D. Weeden, 4-8-11 ... P. Young 5 6
6 00-0000 Hot Heir (D), D. Dale, 4-8-10 ... M. Fry 7 12
7 000421 Gold Prospector (D), R. Armstrong, 3-8-10 ... W. Carson 16
8 040400 Pink Jet, G. Toft, 3-8-9 ... S. Lawes 7 13
9 103123 Eve (C), T. Molony, 6-8-9 ... M. Thomas 4
11 002003 Maker-Match (C,B), T. Gosling, 3-8-6 ... J. Jenkinson 9
0-01200 Mini Pie, Denys Smith, 4-8-5 ... L. Charnock 2
032000 Dinkum Chief (D), R. Mason, 4-8-4 ... K. Darley 3 3
123402 April Lucky (D), C. Crossley, 5-8-5 ... L. Goulthwaite 7
0-00000 Eastleigh Manor (B), C. Hill, 3-8-5 ... A. Nesbitt 7 10
234201 Early Tudor (D), A. Ingham, 3-8-5 ... J. Blanks 15
000450 Moon's Lass, R. Hollinshead, 4-7-13 ... H. Fox 11
200332 Phyllis Ayres (B), H. Collingridge, 5-7-11 ... R. Still 1
10 No Loiterer, D. Leslie, 9-7-8 ... K. Pinnington 7 14

4-1 Gold Prospector, 11-2 Heavenly Choir, 6-1 Early Tudor, 7-1 April Lucky, 8-1 Etonian, Maker-Match, 10-1 Phyllis Ayres, 12-1 Eve, 14-1 Mini Pie, 16-1 others.

4.15 ST MARGARET'S HANDICAP (3-y-o: £1,525: 1¼m)

002111 Hang-on Elvis (D,B), N. Callaghan, 9-0 ... W. Carson 8
15 01204 Helda, Denys Smith, 8-13 ... L. Charnock 2
16 122322 Jubilee Lord (D), R. Houghton, 8-11 ... J. Reid 1
424314 Hyperion, G. P.-Gordon, 8-9 ... D. Brockbank 7 4
000212 Knock Wood, I. Balding, 8-8 ... S. Payne 7 5
024300 Lady Abernant, E. Reavey, 8-7 ... P. Cook 6
27 432001 One-Cal (D,B), R. Boss, 7-11 ... M. Thomas 3
002210 Summer Mist (D), A. Goodwill, 7-9 ... C. Rodrigues 5 7

15-8 Hang-on Elvis, 7-2 Jubilee Lord, 9-2 Knock Wood, 6-1 One-Cal, 8-1 Helda, 10-1 Lady Abernant, 12-1 others.

4.45 FILBERT STAKES (2-y-o fillies: £1,348: 1m)

0 Carningly, M. Salaman, 8-11 ... A. Cousins 12
003 Constant Rose, J. Powney, 8-11 ... P. Cook 6
0 Countess Paloita, H. Candy, 8-11 ... P. Waldron 2
00 Daiveen, W. Guest, 8-11 ... — 11
0 Fond Farewell, R. Akehurst, 8-11 ... R. Fox 10
0 Lombardia, T. Waugh, 8-11 ... W. Carson 4
Miss Hardwick, M. Ryan, 8-11 ... D. Maitland 3
4 Pomegranite, E. Reavey, 8-11 ... M. Thomas 8
340 Santita, P. Cole, 8-11 ... S. Eccles 5
0 Singh Sprite, R. Lunness, 8-11 ... J. Lynch 1
000 Speeder, A. Hide, 8-11 ... G. Sexton 7
Trade Only, N. Gaselee, 8-11 ... J. Reid 5

11-8 Constant Rose, 7-2 Countess Paloita, 5-1 Lombardia, 6-1 Santita, 10-1 Pomegranite, 12-1 Singh Sprite, 14-1 others.

Hamilton Park programme

2.15 CALDER WATER STAKES (3-y-o: £545: 1m 1f 10yd)

1 000014 Hidden Secret, M. W. Easterby, 8-11 ... C. Moss 3
4 0-00000 Boabal, M. Naughton, 8-7 ... S. Jarvis 5 7
5 00-0003 Comerce, R. Cross, 8-7 ... J. Lowe 2
9 00004 Desert Spy, P. Haslam, 8-7 ... B. Jago 4
10 404400 Man-at-Arms, W. H. Williams, 8-7 ... M. Wigham 5
12 Royal Lanelmer, W. H. Williams, 8-7 ... T. Major 7 1
13 230304 Devine Life (B), T. Craig, 8-4 ... A. Mackay 7 9
14 0204 Safe 'n' Sound, S. Holland, 8-4 ... — 8

9-4 Hidden Secret, 7-1 Desert Spy, 4-1 Man-at-Arms, 6-1 Comerce, 8-1 Safe 'n' Sound, 10-1 Devine Life, 16-1 others.

2.45 ROYAL CALEDONIAN HUNT HANDICAP (£1,875: 1m 40yd)

2 003133 Lady Peg (CD), M. Stoute, 5-9-5 ... E. Hide 5
3 012023 Miss Eliza (CD), C. Thornton, 4-9-5 ... J. Bleasdale 6
6 210-00 Handycuff (D), A. Scott, 4-8-13 ... — 2
8 321014 Annathena, M. Jarvis, 3-8-0 ... B. Raymond 7
11 000041 Manar (CD), J. Calvert, 5-8-3 ... M. Birch 1
15 000000 Donzel (B), B. Richmond, 4-7-13 ... J. Lowe 3
16 441400 Tudor Set, W. Holden, 4-7-13 ... L. Parkes 7
17 304020 Hard Held (C), J. Barclay, 6-7-8 ... — 8
20 202422 Ochil Hills Star (CD), W. H. Williams, 5-7-7 ... M. Wigham 10
21 010000 Iichi, T. Craig, 5-7-7 ... C. Eccleston 4

11-4 Lady Peg, 7-2 Miss Eliza, 9-2 Manar, 5-1 Annathena, 8-1 Hard Held, 12-1 Ochil Hills Star, Tour Set, 16-1 others.

3.15 LORD HAMILTON OF DALZELL HANDICAP (2-y-o: £2,250: 5f)

3 144004 Don Drake (D), D. Thom, 9-4 ... A. Bond 13
4 1233 Baillis (D), B. Hanbury, 9-4 ... B. Raymond 12
5 30122 Celtic Halo (D), A. Jarvis, 9-3 ... G. Duffield 1
7 211323 Con-Man (D), J. Etherington, 9-2 ... E. Eldin 3
9 131000 Nadwa (D,B), W. O'Gorman, 8-13 ... J. Lowe 6
10 041343 Vronsky (CD), W. Gray, 8-7 ... E. Apter 5
11 304204 Purple Mark (D,B), C. Britain, 8-7 ... E. Hide 8
15 0100 Delta's Pride (CD), T. Craig, 8-5 ... K. Leason 2
18 00200 Mick's Throwout, B. Richmond, 7-12 ... M. Wigham 9
19 030041 Firbeck (D,B), A. Balding, 7-12 ... A. Mercer 5 7
20 040000 Star Venture (B), B. Lunness, 7-10 ... — 4
22 00110 Tanira (CD), C. Nelson, 7-7 ... C. Eccleston 11
23 004242 Miss Merlin, P. Haslam, 7-7 ... D. McKeown 10

11-4 Lady Peg, 7-2 Miss Eliza, 9-2 Manar, 5-1 Annathena, 8-1 Hard Held, 10-1 Ochil Hills Star, Tudor Set, 16-1 others.

3.45 CINQUEFOIL STAKES (Div I: 2-y-o: £949: 1m 40yd)

1 00 Ashkenaz, S. Holland, 9-0 ... C. Dwyer 12
3 000000 Cairnie, M. W. Easterby, 9-0 ... C. Moss 9
8 00004 Frankness, G. Richards, 9-0 ... O. Gray 7
15 0 Mountain Gorge, T. Barnes, 9-0 ... D. Burns 14
18 0003 Primside (B), W. Hastings-Bass, 9-0 ... A. Bond 1
20 000 Rio Force, A. Jarvis, 9-0 ... S. Jarvis 5 6
22 0000 Royal Flush, C. Thornton, 9-0 ... J. Bleasdale 2
23 3 Sea Master, C. Brittain, 9-0 ... E. Hide 8
25 00000 Amulree, J. Skilling, 8-11 ... M. Birch 10
27 000 Boyle, G. P.-Gordon, 8-11 ... E. Eldin 13
30 0000 Count On Me, J. Walker, 8-11 ... B. Raymond 4
32 0300 Janura, W. Wharton, 8-11 ... W. Wharton 3
35 04 My Bold Girl, M. Stoute, 8-11 ... — 5
40 Welkin Express, P. Haslam, 8-11 ... D. McKeown 7 11

7-4 Sea Master, 3-1 My Bold Girl, 4-1 Primside, 6-1 Frankness, 8-1 Royal Flush, 12-1 Janura, 16-1 others.

4.15 ROYAL CALEDONIAN HUNT CUP (3-y-o: £1,629: 1m 3f)

1 120100 Bright Charlie, T. Fairhurst, 9-4 ... P. McDermott 7 2
2 011040 Sandione, W. Holden, 9-4 ... — 1
3 011103 Swagger Stick (CD), E. Weymes, 9-2 ... G. Duffield 5
4 101320 Wollop, M. Jarvis, 9-2 ... B. Raymond 6
5 432403 Salutiferous, M. Stoute, 9-0 ... E. Hide 3
7 000000 French Swallow, J. Skilling, 8-11 ... M. Birch 7
9 033040 Little Newmarket, R. Mason, 8-6 ... N. Brannick 7 1

15-8 Swagger Stick, 7-2 Salutiferous, 5-1 Wollop, 6-1 Sandione, 8-1 Bright Charlie, 12-1 French Swallow, Little Newmarket.

4.45 CHATELLERAULT HANDICAP (£1,605: 1m 5f)

4 100000 Irish Poet, B. Lunness, 4-9-9 ... B. Raymond 8
7 303312 High Adventure (D,B), J. Hindley, 3-9-7 ... A. Kimberley 7
8 100400 Beverley Boy (CD), W. Gray, 6-9-1 ... E. Apter 8
10 212001 Mr Jerry, M. Prescott, 3-9-0 ... C. Eccleston 4
13 041404 Keira (C,B), T. Fairhurst, 4-8-10 ... — 11
14 220010 Paratus, B. Richmond, 4-8-7 ... M. Wigham 5
15 0-40030 Square Note, A. Jarvis, 3-8-6 ... S. Jarvis 3 2
16 320104 Surprising Prince, B. Hanbury, 3-8-5 ... N. Crowther 5 1
18 4-02034 Miss Ponti, T. Craig, 4-8-0 ... N. McIntosh 10
20 032023 Nicolene, I. Walker, 4-7-11 ... J. Lowe 6
21 402004 Montreal Boy (B), J. Calvert, 7-7-8 ... A. Mercer 5 9

7-2 High Adventure, 4-1 Mr Jerry, 5-1 Keira, 6-1 Surprising Prince, 8-1 Miss Ponti, Nicolene, 10-1 Square Note, 12-1 Irish Poet, 16-1 others.

5.15 CINQUEFOIL STAKES (Div II: 2-y-o: £949: 1m 40yd)

4 0 Cape Race, C. Brittain, 9-0 ... E. Hide 7
5 000 Easter Playtime, N. Adam, 9-0 ... D. Nicholls 5 11
13 0 Massena, D. Sasse, 9-0 ... M. Wigham 13
17 000 Price Fairly, J. Etherington, 9-0 ... B. Raymond 8
19 00300 Ray's Swallow, B. Lunness, 9-0 ... A. Kimberley 4
25 000304 Spellbound, A. Jarvis, 9-0 ... S. Jarvis 5 2
26 00 Another Move, J. Calvert, 8-11 ... — 3
28 004000 Bluetrain Queen, J. Skilling, 8-11 ... M. Birch 5
29 0003 Calarette, G. P.-Gordon, 8-11 ... E. Eldin 6
31 Gillymint, J. Barclay, 8-11 ... — 12
34 Miss Thonburi, D. Thom, 8-11 ... A. Bond 9
37 344000 Podzola, M. W. Easterby, 8-11 ... — 1
38 000 Pranky, J. W. Watts, 8-11 ... J. Lowe 10

3-1 Calarette, 7-2 Spellbound, 4-1 Cape Race, 5-1 Massena, 8-1 Podzola, 10-1 Ray's Swallow, 12-1 Pranky, 16-1 others.

Hamilton Park selections

By Our Racing Staff
2.15 Hidden Secret. 2.45 Lady Peg. 3.15 Nadwa. 3.45 My Bold Girl. 4.15 Swagger Stick. 4.45 Mr Jerry. 5.15 Calarette.
By Our Newmarket Correspondent
2.15 Desert Spy. 2.45 Lady Peg. 3.15 Purple Mark. 3.45 Sea Master. 4.15 Salutiferous. 4.45 Mr Jerry. 5.15 Cape Race.

Bath selections

By Our Racing Staff
2.0 Atlantic Warrior. 2.30 Still Hope. 3.0 Silver Horseshoe. 3.30 Leopard's Rock. 4.0 Boundless. 4.30 Saved By the Bell.
By Our Newmarket Correspondent
2.0 Tawdy. 2.30 Pomander. 3.0 Avante Carlo. 3.30 Bonandra. 4.30 Wareath.

Leicester selections

By Our Racing Staff
2.15 Coffee House. 2.45 Guilty Party. 3.15 St Hubert. 3.45 Phyllis Ayres. 4.15 Hang on Elvis. 4.45 Constant Rose.
By Our Newmarket Correspondent
2.15 Never Die. 2.45 Guilty Party. 3.15 Great Tom 3.45 Cold Prospector. 4.15 Hang-on Elvis. 4.45 Lombardia.

West Germany's growing concern over its not-so-secret service

Cologne

Driving along the Innere Kanalstrasse, a busy thoroughfare in Cologne, many a German must have cast a thoughtful eye at a dull, anonymous office block behind a high barbed-wire fence.

Is it really a bulwark of West Germany's democracy or does it house some embryonic Big Brother, some grave insidious danger to the freedom it is supposed to defend?

Events have combined to give the Federal Office for the Protection of the Constitution, West Germany's security and *counter-espionage service*, a reputation which is difficult to shake off—events like the bugging of a nuclear scientist who had friends in terrorist *circles*; lists passed on to border police of hundreds of supposedly *extremist*, but in fact largely innocuous, publications and organizations to be watched.

There have been reports, as yet unsubstantiated, that it notes down who takes left-wing books out of libraries. People who unwittingly sat in the same railway compartment as *terrorist contacts have been entered* in its computers as "contacts of contacts".

Its image, as far as the left-wing is concerned, has become further tainted, in connexion with the Berufsverbot, the practice of excluding *members* of communist organisations from public service jobs. The Verfassungsschutz, as it is called in German, is required to provide *the authorities* with information it has on prospective candidates.

The incidents have prompted not only extremists but also more liberal Germans to ask *themselves whether their country* is on the way to becoming a surveillance state—a verfassungsschutzstaat.

The public and sometimes emotional debate about the aims and methods of the Verfassungsschutz *might surprise* the average Briton who probably has at the most only a foggy idea about how such things are *done* at home, and certainly loses little sleep about it.

Even more astonishing, in view of all the fuss, is that here, for the most part, the cloak and dagger is replaced by glass walls and red tape. *James Bond fans must find it* difficult to imagine a secret service which publishes an annual report, has a press office and produces booklets about *how it works*.

The name of its president, *Dr Richard Meier, is in* any official handbook and a parliamentary control commission is there to watch for abuses and its agents are bound to obey the law.

In addition there are two other checks *on* its activities which the constitutional fathers can hardly have foreseen. One is a habit of leaks, whether from inside or outside the organization is not certain, which have disclosed questionable activities but also served to hamper legitimate investigations. The second is the political row which accompanies any *faux pas*.

The Interior Minister who is in charge of the Verfassungsschutz is held personally responsible for mistakes and would be regarded as weak and incompetent if he did not know *what his subordinates were* up to.

This rather curious situation is the result of an attempt to learn from two lessons of history. The inability of the pre-war Weimar democracy to *prevent the Nazis coming to power* legally has shown that a German democracy must have the means actively to defend itself against those who might subvert *it from within*.

Secondly, bitter memories of the Gestapo and the SS have ensured that the Verfassungsschutz was given no executive *powers. It cannot question or* arrest anyone or search premises. It can only pass on the information it has gathered to the appropriate authorities. It *is the same* memories which have made the whole subject a highly distasteful and sensitive issue in West Germany.

Difficult times for the Verfassungsschutz started with the upsurge of the radical new left *in the late 1960s, their threat* to "march through the institutions", and later, with the emergence of terrorism. In a period of a few years the *organization* came, as leading officials say, an "industry of information" about extremists.

Running a secret service in the glare of publicity is not easy. The Verfassungsschutz people envy the discretion which *surrounds their British* colleagues. "They live in paradise, they don't know the problems", they say.

Every time a touchy case *comes up they have to* think not only about their work but how it is to be handled politically. Ministers and officials must be informed and their backing obtained, the pos[illegible] consequences, if things sh[illegible] go wrong, must be worked in advance.

One example of the diffi[illegible] ties was the case of the [illegible] placed in the nuclear scien[illegible] home. The possibility of te[illegible] *ists gaining* access to nu[illegible] installations or nuclear k[illegible] how was appalling, yet by [illegible] an individual's privacy [illegible] inviolable.

The resulting scandal c[illegible] buted to the later downfa[illegible] the Interior Minister of the [illegible] Would any other Eur[illegible] secret service have bugge[illegible] place? *The* Verfassungss[illegible] people believe they would [illegible]

Officials feel that the ac[illegible] tions of unwarranted sno[illegible] and sinister behaviour ar[illegible] result of distorted press re[illegible] and ignorance about thei[illegible] task.

Nevertheless, the exis[illegible] of lists drawn up wi[illegible] authorization by junior off[illegible] of supposed extremist pu[illegible] *tions and organizations*, [illegible] include such things as har[illegible] civic action groups and fe[illegible] magazines made people w[illegible] about the real atmosphe[illegible] side *the organization*.

Another problem is [illegible] psychological effect on [illegible] radicals of being spie[illegible] photographed at demo[illegible] tions, having their mail o[illegible] The Verfassungsschutz is [illegible] that it is making many [illegible] into lifelong enemies [illegible] system it is there to def[illegible]

But in the Innere [illegible] Strasse there is no ans[illegible] *this. "This is the natur*[illegible] sequence of our work. It [illegible] our problem."

Patricia Cl[illegible]

Are the days of State control numbered?

We are, I believe, on the verge of establishing a breakthrough in parliamentary control of government expenditure, and thereby of control of the executive. Coincidently, and no less importantly, the tide of state control of the individual and of business, can be made to ebb.

When the House of Commons rose on the afternoon of Thursday, August 23, I felt con*vinced—as did most of my parliamentary colleagues on both sides of the House—that the next time we would assemble in that Chamber would be on our recall to hear Mr Speaker* announce the prorogation of Parliament. This was not, as it sometimes can be, a reflection tinged with sadness. I was, in fact, pleased to think that within a couple of months the *country would be able to elect* a fresh government. The present administration is exhausted, and most certainly should have stepped down. But Mr Callaghan chose to labour on. I fancy that in due course he *and his colleagues will pay* dearly—and so may the country—for this gross miscalculation of the nation's need.

I have been a candidate in nine parliamentary elections and I hope, if my supporters in Somerset are generous enough to readopt me, that I shall be a candidate again at the next general election. Inevitably the prospect of a new election provokes recollections of past campaigns; not least the triumph of *Harold Macmillan* in 1959 after the debacle of Suez. Britain then was booming economically. Prosperity was taken for granted. So were rising living standards.

The confidence of the 1950s *gave way to the doubts of the* 1960s. The economic boom vanished and with it the prospects of future prosperity on which the prophecies of near-eternal conservatism were based. The 1970s heralded the *arrival of a recession*, the unhappy (and growing) evidence of which is all about us. Now doubt and uncertainty prevail in every quarter and especially among businessmen. *The ability of the Treasury economists to* forecast and to manage is discredited.

Governments bear a heavy responsibility for their failure to provide effective leadership, *or even competent management* over these years. Conservative and Labour administrations are *both blameworthy for the fact* that government expenditure, *the greatest of all the inflationary forces*, careered wholly out of careful control between 1972 and 1975.

Nationalization is old hat. The modern *interventionist* policy is subtler. Thus the National Enterprise Board controls vast amounts of public money and invests apparently capriciously. The British National Oil Corporation con*trols even greater resources*. Day by day the power of the state increases. The Prime Minister is, in effect, a short-term President. Government patronage is immense, financial and personal. Parliament no *longer pretends to control, let* alone scrutinize effectively the actions of the executive. Government does not control industry through ownership alone; it controls it no less effectively by largesse or by *physical* controls—*or simple* harassment.

I do not believe the tide of intervention, and growing control, is inexorable or inevitable.

There is now upon the back benches on both sides in the *House of Commons a growing* determination to strengthen the powers of Parliament over the executive. In a debate which I initiated in the Commons last May *the unanimity of back* bench MP's was striking. True *the forces ranged against us* are formidable. Our strongest opponents are the 120 ministerial placemen. There are many natural aspirants for *office among the Opposition* who also would prefer not to disturb the status quo.

It is so much easier to decide policy in the privacy of Cabinet and its committees than on the floor of the House of Commons. *It is so much easier to rely* upon unlimited public funds than to be forced to budget like a private citizen. It is all so much easier if one can avoid *scrutiny by conscientious* and well-informed back bench MPs. The business of Government is too important to be left to ministers and their shadows. Expediency has been too long their mistress.

The select committees of the House of Commons, notably the Public Accounts Committee and the Expenditure Committee have not been idle, and the Treasury has been their ally. In reports of the PAC published in *1976-77 and in May of this* year (supported by other reports from the Expenditure Committee) we proposed that the new cash limits which now *affect some 65 per cent of all* supply expenditure should be assimilated with the estimates. This means that, in future, cash limits and the estimates will be framed on a common price basis: in terms of the money which it is expected will actually be spent.

The figures will thus contain an allowance for inflation. They will also contain an allowance for estimated wage and salary increases. The impor*tance of the latter from the* point of view of pay policy cannot be over-estimated, bearing in mind that approximately half of government expenditure comprises the pay of civil servants and others.

If the estimates and cash limits represent figures for real spending this means that any supplementary estimates presented to Parliament will in *future be of greater significance*. Presently the House votes huge amounts of money by way of supplementary estimates in order to compensate for inflation and increases in pay, on the nod (as the saying is).

Henceforward supplementary estimates when they are presented to Parliament will merit proper scrutiny. In this way financial disciplines will be tightened and a greater *measure of control over government* expenditure will devolve on the Treasury, upon departments, and finally upon Parliament.

All this is significant enough, but the long-term significance *of this development* is even greater. It means, in effect, that a determined government will in future be able to regulate by its control of cash limits and estimates the proportion that government expenditure bears to the GNP.

If there is allied to this ministerial determination a careful examination of areas where there is scope for economy, *without damage to the social* fabric, then it will become easily possible over the lifetime of a Parliament either substantially to reduce the public sector borrowing requirement, or virtually to dispense with it altogether. *Thus the insatiable* government demand for capital would be removed, and the present distortions of the capital market would disappear.

Equally the current high level of interest rates, brought about by *a greedy government's financial* selfishness, would end and we would look forward to a period of lower domestic interest rates in consequence.

Financial disciplines imply priorities for expenditure. If, in future, departments are to be obliged, because of the limitations on expenditure imposed by Parliament, to submit every one of their activities to a careful examination then we are indeed on the verge of revolution.

It would mean that those activities which are valuable *and worthwhile could be continued* while those which are of lesser importance could be abolished in order to release funds for essential activities.

These new financial procedures are due to be introduced, *if the House agrees, in the next* financial year. They will become universal in so far as two thirds of supply expenditure is concerned in the financial year 1980-81. Thus for the first time in the last decade *there will be a real opportunity* to bring the greater part of government expenditure under proper control.

Let this message of hope replace the uncertainty and despair which bears down upon *the ordinary citizen* when he contemplates the omnipotence of the state. The tide of state dominance, interference and control has been a long time on the flood. It need not be for ever. Even the highest tide *can turn, and in the case of* tides which comprise human activity they can be made to turn.

It has been high tide for too long. The ebb is to be welcomed.

Edward Du Cann

The author is Conservative MP for Taunton.

Anthony Howard, former Editor of the New Statesman, joins our regular columnists

What Ford can offer Mr Callaghan

The threatened Ford shut-down means that the gauntlet has been thrown down more speedily and dramatically than *even the gloomiest pessimists in the Government anticipated*. At least on incomes policy there is a distinct smell of *Götterdämmerung* in the air—not entirely dissimilar to that which still clings around Mr Heath's confrontation with the miners in 1973-74.

A grim prospect, then, for Mr Callaghan? *In the short-term*, plainly, "Yes". He is paying the price almost immediately—as some of his Cabinet colleagues always suspected he *would have to*, though later rather than sooner—for not calling an "Elastoplast" election this autumn. When Mr Ron Todd, the National Organizer of the T & GWU, announced on television last Friday night that "The Ford offer is not just derisory, it's insulting", he was *not only supplying* a passable imitation of Mr Peter Sellers in the film *I'm All Right, Jack*; he was also serving notice on Mr Callaghan and Mr Healey that all electoral bargains were off. There will be no armistice *this winter between the unions* and the Government: instead, at least on the wages front, it looks as if there will be open war.

A strike at Ford — whose problem?

The Prime Minister and the Chancellor—canny politicians, both—know, of course, that the party that gets on the wrong side of the wage-control argument always tends to lose the subsequent election: that was as true of *Harold Wilson in 1970* as of Edward Heath in 1974. But what today is the "wrong" side of the wage-control argument? Is it possible that in politics nowadays it is the direct opposite of what it was four or *even eight years ago—and* that the person who most needs to tremble at the prospect of an all-out strike at Ford's is not Mr Callaghan but Mrs Thatcher?

Let us begin by taking one piece of television evidence from the 1970 election. The *Tory election broadcasts* of that year were generally rated a distinct "plus" for the then Opposition. Following ITN's *News at Ten* format, they enabled the Conservatives' media advisers of the time to *incorporate "spot" commercials* in the middle of the broadcasts. One of those "spot" commercials I remember very well. It showed a refrigerator door opening, a hand going in and, when it came out holding *something*, a voice saying: "Do you recognize this? It's a frozen wage packet. Vote Labour on 18 June and you'll get it again—in the family size".

Of course in politics you never can tell. *But I should* frankly be astonished if Mrs Thatcher (or even Saatchi & Saatchi) were to risk so naked and blatant a free wage bargaining appeal as that today. Whether they welcome the fact or not, the contours of the average elector's economic geography have changed. *In principle* for others, though not perhaps always in practice for themselves, most voters are now prepared to concede that wage control is the only sensible and rational policy for Britain in *the present economic climate*.

Which is where, or so it seems *to me, the strength* of Mr Callaghan's political position comes in. By encouraging the Ford management to stand firm, and if necessary applying some muscle *to see* that they do, he is bound, I believe, to get the great weight of public opinion on his side. (He will also, though this is a side-argument, make it very difficult for the Conservatives to go on pretending *that his Government is in* the pocket of Mr Moss Evans, or any other union leader.)

Let us now look, by contrast, at Mrs Thatcher's position. If the Ford dispute proceeds inexorably towards a protracted official strike, what is her attitude going to be? We *already know from the speech* she delivered at Glasgow last January that she favours "the withdrawal of government from interference in wage bargaining" (afterwards explained by some of her more embarrassed *colleagues to have been a view* intended to apply to the private sector only).

Rival doctrines put to the test

Yet Ford's, *of course, is* in the private sector. Indeed, it would be hard to think of a firm more exactly meeting the requirements that Mrs Thatcher makes in the case she frequently puts in favour of *"responsible collective bargaining"*. There is, after all, no question that Ford's has the resources totally to disregard the Government's pay policy. Even the British part of the company makes excellent profits *(£240 million last year)*; and, since it is strong and healthy, it is a firm on which the Government can hardly be confident of exerting any pressure even by relying on the tactic of the "blacklist"—something anyway that Mrs Thatcher and her colleagues have never hesitated to denounce.

It is doubtful, in fact, if any*one could have invented* a dispute so meticulously designed to put Mr Callaghan's and Mrs Thatcher's rival doctrines of wage control to the test. For *the Prime Minister* and the Chancellor (though not for all their supporters) a planned wages policy is an essential part of a planned economy: in the interests of all, the policy has to be comprehensive and all-embracing.

To Mrs Thatcher (though not perhaps *anything like to clearly* to her main spokesman in these matters, Mr Jim Prior) [illegible] attitude is merely [illegible] example of socialist *dir*[illegible] of course a government [illegible] forward a "norm" fo[illegible] settlements but, given [illegible] of the market, there will have to be exceptions—tions where the pro[illegible] earn their rewards and [illegible] successful are taugh[illegible] denial the hard way.

Alas, however, fo[illegible] Thatcher—there is [illegible] political aspect to th[illegible] ment. After three yea[illegible] slog at beating back [illegible] the electorate is boun[illegible] asked (as, indeed, it wa[illegible] *by* Mr Hattersley at th[illegible] end) whether it really [illegible] choose this moment to [illegible] the rewards away. Tru[illegible] are 57,000 workers at F[illegible] maybe there are (wi[illegible] wives) 100,000 votes [illegible] *picked up there*; but th[illegible] millions more in the pr[illegible] well as the public sec[illegible] know that a wage [illegible] amounting to 27 per [illegible] something they dare n[illegible] contemplate putting [illegible] *For* such wage-ear[illegible] whether at Chrysler's [illegible] BSC—Mr Hattersley's [illegible] probably hardly requ[illegible] response.

Of course, a prolonge[illegible] strike is bound to be a [illegible] the Government's nerve [illegible] could be a test of so[illegible] much *more* dangerous [illegible] Opposition—the true na[illegible] its economic conviction[illegible] phrase, it threatens t[illegible] Mrs Thatcher out—to [illegible] in the public mind the [illegible] existing suspicion that [illegible] *in her world* the ra[illegible] always go to the swift, [illegible] rewards will always go [illegible] strong.

Eventually, then, a re[illegible] the February, 1974 ele[illegible] which the roles of the [illegible] are reversed? *I do* [illegible] it out. But, if so, it is [illegible] roles that would be r[illegible] So also, I suspect, wo[illegible] result.

LEAPMAN IN AMERICA

There was an Englishman, a Chinaman, a Finn, a Bulgarian, two Norwegians, two Swiss, three Japanese, a German, a Hungarian, an Italian, a Spaniard, a Turk, a Yugoslav, a man from Singapore and an American. What sounds like the world's most ambitious Englishman / Scotsman / Irishman joke was in fact a visit by a party of New York-based overseas reporters to look at some advanced American scientific and technological projects.

It was organized by what used to be called the United States Information Agency, whose name has been changed, for opaque reasons, to the International Communications Agency. (Its new initials, ICA, mean that it gets confused with the CIA, which cannot have been the motive.)

From time to time the agency organizes parties of foreign reporters to make forays across the country to get a first-hand look at something or other. Anxious that the trips should not be regarded as tourism or what are variously referred to as boondoggles or junkets, the government pays for the travel but not for hotel accommodation.

In order to establish their seriousness from the start, they made us report to New York's *La Guardia airport* for the first leg of the trip at 6.45 am, though there was no need for it. Our first port of call was Washington for briefings by *officials, and it was so hard to* fill the time that we had a five hour gap between the end of our last interview and the departure of our evening plane.

Getting in the mood on the flight to Washington, I read the airline's magazine, which had an article on "science in the locker room". This was an example of the anecdotal style of science reporting which prevails here.

There was a tale of a girl skater who found it hard to catch her breath and was treated by a belly dancer, who *explained* how to relax the crucial muscles. The article also revealed that skiers who do the slalom are introverted, while downhill racers are gregarious. I never knew that.

On arrival at Washington we had a minor organizational setback: the bus that was to take us into town had not arrived. When *it did so*, the driver explained that it would not be air-conditioned because a vital part promised for the previous day had not been delivered. As so often, technological advance was compromised by human fallibility — an important thought to take with us in the coming days.

The Washington briefings began with a talk from the agency's scientific adviser. "You are setting off on a week's adventure", he told us, and instructed us that science writing must be accurate, clear and interesting.

Subsequent briefings were from senior science people at the White House and the State Department, from which it emerged that the present vogue *phrase in science is "technological transfer"*. (It means translating scientific advances into reality by embodying them in new technology and making *it available where needed*. At least four speakers used the term during the trip.)

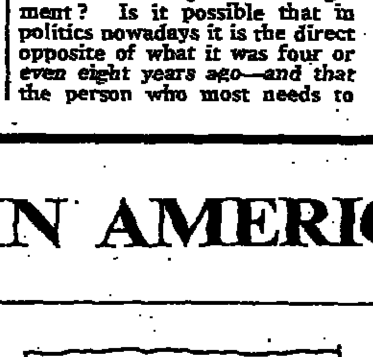
That night we flew to Jacksonville in Florida, and the next morning found us being sprayed with insect repellent for a tramp around a swampy alligator-infested forest south of the city. We had been fore*warned to wear stout shoes* and cool clothing.

The purpose of the woodland jaunt was to show us how timber companies assess and grade their forests to decide when they should be cut. The company, cooperating with the *National* Aeronautics and Space Administration (NASA), are experimenting with a satellite which can gather the required information from high in the sky, avoiding mosquito bites.

After a lumberjack's steak lunch *in* a forest cabin, we headed west in an inordinately long flight to San Diego. There, we visited the Salk institute, to learn of research into brain disorders and cancer from a public relations man in a blue corduroy *suit who talked not only* of technological transfer but also of the "cutting edge of science".

We were allowed a leisurely weekend in San Francisco before another crack-o'-dawn start *on the Monday* for our visit to Livermore, some 40 miles away. The Lawrence Livermore Laboratory conducts research into nuclear weapons and new energy *sources*. The second of those topics was the one we were studying.

I warmed to the place right away when I opened the press *kit and found, on top of it, an* order form for our picnic lunch. It included not only 25 choices of sandwich but also a little note explaining some of the fillings—*Genoa, Capicella, Mortadella* and Cotto Salami.



The lunch took place in a vineyard and winery near the laboratory. *Afterwards*, we were taken on a little tour, followed by a wine sampling session from which our guide found it hard to drag us away.

As for the laboratory itself, its main effort in the energy *field is in producing power by* nuclear fusion rather than the *more perilous nuclear fission*. (Essentially, it means they join atoms together rather than splitting them.)

We saw Shiva, a giant laser beam, used in the fusion process. We also peered into some shallow pools being heated by the sun to provide hot water.

Another gruelling flight followed, *to Denver in Colorado*, where we arrived after midnight and were taken to the Hilton Harvist House, a rather obscure link in that famous hotel chain. *The Hotel had failed to* conquer that chronic weakness of American catering technology—service of breakfast.

On a form hung over the door handle, I ordered mine to be brought to my room at seven o'clock. It arrived just before eight and I complained moderately.

"Let me give you some advice", the waiter said conspiratorially. "If you want breakfast at seven here you must order it for six."

The hint came too late because, after a day at the National Oceanic and Atmospheric Administration at Boulder, talking about the weather, we were off on our cross-country travels again, flying via Chicago to Huntsville in Alabama, where we were to look at the space shuttle project.

We saw the shuttle plane and its various bits of supporting machinery, and in the afternoon were taken off to the Alabama space and rocket park where we had a simulated ride to the moon, complete with centrifugal drag, said hullo to the first space monkey and *played that electronic game* which involves trying to get a rocket across the face of a television screen without being hit by one of the meteors shooting across its path.

It was a relaxing way to end what had been an *earnest journey*, which led us to the anticipated conclusion that the Americans are indeed doing some mightily impressive scientific research.

Yet seeing that a large part of our time was spent in long-distance flying, it is reasonable that our dominant impression of the eight *days should have* to do with air travel.

Including changes, we made nine separate flights. All but one (delayed by the weather) took off and landed *within a* few minutes of their scheduled time. To one raised on the less precise traditions of Heathrow and Gatwick, that was perhaps the most impressive tribute to American technology and know-how.

We also noticed that most of the planes we took were full, or nearly full. That hea[illegible] cumstance is a trib[illegible] another great American [illegible] marketing—but it doe[illegible] attendant problems. T[illegible] lines have filled the pl[illegible] offering cheap fares [illegible] attract non-business pas[illegible]

In doing so, howeve[illegible] have alienated some [illegible] old business *customers*, [illegible] the full (though not [illegible] class) fare and find th[illegible] are sitting next to cut-r[illegible] sengers who have [illegible] *children, hog the atten*[illegible] the stewardess and ea[illegible] the steak dinners, leav[illegible] businessmen with *the* [illegible]

Ever alert to their [illegible] *mers' needs, some airli*[illegible] now introducing separ[illegible] tions for full fare pa[illegible] front of the cut-rate pas[illegible] where they will get fir[illegible] *the food and drinks. T*[illegible] also be able to jump the [illegible] in queues at the airpor[illegible]

In effect, therefore, th[illegible] now three classes: fir[illegible] rate *economy* and [illegible] economy. Readers who [illegible] mendously old will re[illegible] that British railway [illegible] were once organized [illegible] *system. In the midst of* [illegible] scientific wizardry I saw [illegible] the week, it was comfo[illegible] reflect that some inn[illegible] are not so new after a[illegible]

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HARD LESSONS FOR VIETNAM

…e objective in his current …sits to south-east Asian coun…ies by Mr Pham Van Dong, …e Vietnamese Prime Minister, …s been to present the Vietna…ese case to these governments … the bitter quarrel with China …at has become so public in the …st six months. Of course this … *quite natural. Any mission* …ust put the case for its govern…ent in any international …spute. Mr Pham Van Dong may …ve been looking for allies …ther than patient listeners. If …e is, members of Asean should …e on their guard. It would be …angerous for any of them to be …awn into the dispute or in any …*ay to take sides.*

Should one of these govern…ents express sympathy for the …ietnamese standpoint it would … seen in Peking simply as …nother door being opened to let … more Soviet influence. The …hinese may not wholly believe …eir own propaganda about …ietnam being the agent of the …ussians in all they do in south…ast Asia, but they plainly fear …is possibility. Equally, it would …ly make a difficult task worse … any governments committed …emselves to the Chinese side. …ince 1975 the job of allaying …ietnamese suspicion about …sean as a regional group has …een conducted with prudence …d firmness as well as evident …odwill. The objective must be … stabilize the frontier in this …rner of Asia where communists …e fighting their own little war. …at will not be helped by …clarations of support for either …de. Neutrality for Asean meets its first real test in its handling of China and Vietnam while their bitter quarrel lasts.

There are no ingredients of the quarrel that directly affect other countries outside Indo-china. The treatment of overseas Chinese in Vietnam, though matched before now by discrimination against such Chinese in other countries, has no direct bearing. It is a bilateral business and can only be solved by good sense on both sides. As for the Cambodian war, that, too, need not concern others. It confirms the strength of nationalist emotions and removes any fear of a unified communist Indo-china. Had that followed the victory of 1975 it would have been a weighty political influence, not least on the flagging hopes of communist guerrillas in neighbouring countries. Mr Pham Van Dong's promise in Bangkok that Vietnam would no longer aid Thai guerrillas was a gesture to win support—and *perhaps also an admission that* Chinese and Cambodian action had effectively barred such aid.

The probability is that Vietnam cannot hope to follow too belligerent a policy. The Vietnamese cannot be whole-hearted supporters of the Soviet Union; to be so identified would invite comparison with the kind of subservience that afflicts eastern Europe. Nor can their rivalry with the Chinese be carried into south-east Asia to the profit of either country. Irrespective of international alignments or regional rivalry however, the Vietnamese charge against China has been that of a deliberate attempt by Peking to weaken Vietnam by impeding the country's economic strength. One example of this was the cessation of most Chinese aid once the war had ended. The second was China's withdrawal of experts and of aid last July which meant stopping work on nearly a hundred projects.

However, if hard economic fact is now driving Vietnam into pacific paths, nature must be blamed more than the Chinese. Since the war ended harvests have been consistently bad; last year, disastrous. And now the floodwaters of the Mekong have inundated vast areas of the usually fruitful alluvial plain in the south. The result may be yet another disastrous harvest. To this heavy burden must be added the economic cost of withdrawing military units from their useful tasks in reconstruction to man the Cambodian front.

The result has been a down-grading of political objectives. Certainly this has been behind the turnabout in attitude to the United States. A country that only a year ago was still fulminating about imperialism is now only too ready to meet Americans and to look to Washington as a source of aid on any terms. Equally the diplomatic missions to south-east Asia, to eastern Europe and to such western countries as will welcome them are all part of an anguished change of mind on the part of a country that has thrived for so long more by hating its enemies than by cherishing its friends.

SEEKERS OF SOLITUDE IN CROWDS

…s the evenings begin to draw …, and relative peace returns to …e hills and forests, national …rk administrators and others …ncerned with the protection of …e countryside have been …thering this month in no less …an three conferences to con…mplate the great paradox of …eir calling. In a mining, …arrying, motoring, factory-…ilding society the beauty of …spoilt nature can only be …sured by teaching the public … value it more highly than …her more marketable interests. …hools in every industrial city … the land are busy educating …eir pupils to become lovers of …ture. Thus instilled with a …sire for peace and solitude, …ultitudes pour out of the towns …d drive peace and solitude …om the very sanctuaries created … safeguard them.

Wordsworth has a lot to …swer for. One speaker at the …nference held last week in …ork referred to the elderly …et's indignant remonstrances …ainst a proposal to build a rail…ay to Windermere and bring …e "imperfectly educated …asses" crowding into his …emote territory. If he could see …e Lake District today, he …ight feel that his protests had …een too mild. Yet no man alive …ad done so much to tempt the …ublic to seek the spiritual bene…its he associated with the con…emplation of rain-drenched fells. …nd no man had more made a …oint of the fact that such feel…ngs did not depend on … perfect education". These conflicts give a poem like his sonnet on railway navvies resting in the ruins of Furness Abbey an almost disingenuous or self-accusing air.

Today the artisans have cars of their own. Wordsworth, by implication, was prepared to write off the masses imprisoned (his own image) in the cities he hated, so that beauty and staunch rural virtue should survive in Grasmere at least. The influx he feared has indeed created strains. Some lakeland footpaths have been eroded to a depth of six feet by the stout boots of seekers after solitude—undoubtedly including representatives of all classes. But the fact that they still come shows that they do not find the pursuit unrewarding even in such conditions.

The favourite response of park planners to these pressures is now to provide attractive facilities for those who are content to seek solitude in crowds. Short nature trails, prepared picnic areas, exhibitions of wildlife, draw the majority into "honey pot" areas and leave the wilderness to the few. Ms Marion Shoared of the Centre for Environmental Studies, declared at one of last week's conferences that this was a policy of decoying people away from what they really wanted, or should want. She rejected the idea—which, as she said, underlies most planning—that people posed a serious threat to landscape. Rightly, she pointed out that our idea of attractive countryside is too much dominated by the image of the wilderness (Wordsworth's influence again). There is much green (or greenish) land near towns which could be used more energetically, in an extension of the "honey pot" principle. But *she came near to the very sin* that she accused her opponents of in implying that they sought to give the public what they thought it ought to want, not what it wanted.

Present policies spring as much from observation of how park visitors actually behave as from a desire to protect the countryside. Most never venture even a mile from their cars. It is good conservation and good show business to make the most of this fact, so long as no real obstacles are put in the way of those who want to go off the beaten track. The latter are not unduly privileged by this approach: both sides have a *better chance of finding what* they want. More acres may be assigned to the latter group, but more spending is lavished on the former. A nature trail can awaken a desire to know nature better, but it will scarcely decoy anyone away from fulfilling that desire once it has been awakened. There is a kind of snobbery involved in claiming that public policy should disdain to cater for the fact that most people, initially at least, prefer their experience of the wild in dilute doses.

David Wood

Short commons for Europe

…t of public ear-shot and eye-shot, …ost European MPs grow angrier …ay by day about our Government's …bstinate campaign in Brussels to …ake sure that the members of the …uropean Parliament directly …lected on June 7, 1979, will be as …retchedly paid as Westminster …MPs. Inside "Coreper", the com…ittee of diplomatic pathfinders …ho prepare the way for decisions …*f the Council of Ministers, British* …oices have argued for low pay and …bundant expense sheets, on the …ubious Westminster model.

Other members of the Nine have …rushed that proposal aside with …he contempt it deserves, and the …Vest Germans have apparently …eclared that a parliamentary ser…ant of the people is worthy of his …ire—adding the hint that their …irectly-elected MPs can expect to …e paid on an inflation-proofed …ivil-service scale that could give …hem a salary close to £30,000 a …ear.

Now, according to our own Euro…pean MPs, the Labour Government …as taken to bully-boy threats. If …he Council of Ministers eventually …pproves parliamentary salaries, …xpenses, and staffing on or near …he West German level, then Mr …Callaghan himself has given his …ond to anti-Europeanists in the …Parliamentary Labour Party that the …1 United Kingdom members of the …irectly-elected European Parlia…ment will be obliged to pay their …ull measure of domestic taxation. …One way or another, the European …MPs will be dragged down to the …poverty line of their Westminster …colleagues. They may work in …Strasbourg, Luxembourg, and Brus…sels, but they will be taxed as though …they earned their income in Hemel …Hempstead or Cleckheaton.

Mr Callaghan should not too …easily take for granted that such …tax discrimination against European MPs—as compared with United Kingdom Commissioners in Brussels and some employees of the Commission and the Parliament who actually live and work in the United Kingdom—will pass unchallenged. Lord Bruce of Donnington, 30 years ago Aneurin Bevan's PPS and still an unreconstructed Bevanite, is a nominated Strasbourg MP who has built a formidable reputation making European budgets child's play to members of the European Parliament; he has taken to the warpath. On November 10 he will bring a test case before the Commissioners of the Inland Revenue to question their right to tax the fixed expenses scales set by the European Parliament in 1974.

If he wins, then Mr Callaghan's tax threat will be empty. If he loses, he still has resort to the European Court in Luxembourg to test the validity of a national *Parliament overruling* the decisions of a Parliament to which, in some indirect respects, it is subject under the treaty of accession. He also has resort to parliamentary privilege within the European Parliament, which will almost certainly be developed from its present primitive form once the MPs have been reinforced by direct elections. (So far, the rare cases of privilege in the European Parliament have been concerned with access, even where serious charges have been preferred against MPs.)

It is not the purpose of this article to arbitrate on how much a directly elected European MP will be worth—in his own right or as compared with Westminster MPs. Lord Bruce himself correctly says that he does not know one United Kingdom MP in the European Parliament who, being under retirement age, would not prefer the peanuts of Westminster to the riches of Strasbourg, if he had the choice. The question has more importance than the financial rewards that are being bandied about and challenged. Whether a mere 81 United Kingdom MPs make a killing after direct elections matters less than the wholeheartedness of Westminster's commitment to Europe after five years of membership of the Nine.

When Mr Callaghan and the Government, with open or tacit sympathy from both sides of the Commons, campaign to keep down the salaries and benefits of the European Parliament they are really arguing that Westminster, having voted away its law-making supremacy by treaty, *remains and shall* continue to remain supreme.

Government, Shadow Cabinet, and backbenchers alike, regard relative salaries as the criterion of supremacy; and they fear that if European directly-elected MPs are paid four or five times as much as Westminster MPs, they will be reckoned to be four or five times more important or influential. It is their petty pride that has been touched. And they are also suffering a penalty for the cowardice with which successive governments and Parliaments have screwed down MPs' salaries and blarneyed them with expense sheets that the Inland Revenue ought to look at more penetratively.

The theory of the supremacy of Westminster, in spite of the weekly deluge of European "secondary" legislation that goes into United Kingdom law without a by your leave, has of course a practical justification in the supremacy of the Council of Ministers, whereby each Minister is answerable to his own Parliament. But it is precisely in the Council of Ministers that progress towards European unity or towards the European ideal of the founding fathers of the Community has been most laggard in the years since 1974. Roy Jenkins has given the Commission, which had been denied big objectives by the Council of Ministers, a new impetus and purpose and has begun the fight against the "trivia" of harmonization for its own sake.

The Parliament of the Six, which Peter Kirk and the first Westminster delegation found dead on its feet in 1973, has developed more promisingly than any other Community institution since the creation of the Nine; and with the further fillip of direct elections, granted the sound choice of men and women by constituencies, there will be no way to stunt its growth, first in influence and then in powers. Its budgetary say has strengthened and will strengthen more; it calls Council and Commission to account as it never used to; and before long, as Conservative and Christian Democrat groups already demand, it will seize the power to dismiss Commissioners singly rather than as a block. Westminster, if it is afraid of competition, is probably right to fear the portents.

LETTERS TO THE EDITO…

Intervention in Nicaragua

From Mr Anthony Swift

Sir, In your leader (September 20) you recommend that America should intervene to bring down Somoza in order to prevent the leftist guerrillas, at present risking their lives to do just that, from gaining political ascendency.

If such a recommendation is not to be seen as wholly cynical it presupposes the assumption that the West has a role in rescuing people from Marxism.

This is a dangerous myth, which no doubt was used to justify American intervention in Vietnam and Chile and lies behind the West's failure to intervene effectively in South Africa and Rhodesia. It is used to justify actions that are wholly incompatible with our claim *to be a proponent of human rights.*

Nicaragua is a case in point. America installed and until very recently sustained the corrupt and vicious regime of Somoza, which battens down on the lives of a large and impoverished majority. What the poor people of Nicaragua need rescuing from at the moment is Western-supported oppression.

While the West continues to support such regimes, for whatever motives, and continues to wait on effective action by the Left before it moves to dismantle oppression, its human rights stance will be undermined.

Human rights may govern some aspects of life within Western countries. They have yet to extensively govern our relations without—least of all with the poor countries of the world.

Until they do, it must be the duty of all who are concerned with the poor and with the quality of human relationships to expose oppression, whether it takes place under the Western or the Eastern models. Equally we must be ready to encourage enlightened governments of whatever political persuasion.

Yours sincerely,
ANTHONY SWIFT,
30 Grove Street,
Oxford.
September 21.

Supplying oil to Rhodesia

From Mr Ian McElwaine

Sir, Is there no limit to the folly of British governments? Why do they unfailingly expose, by their craven acts, our country to shame and contempt? Is there a conspiracy of degenerate men in high places bent on humiliating this once (it is hard to believe now) honoured nation?

These questions are prompted by the latest fiasco—the great Rhodesian oil leak. A succession of weak and foolish governments, eager to win favours of that unctuous and hypocritical assembly in New York, has passed and annually *ratified* legislation that was either unenforceable or enforceable at a cost none of them was prepared to accept. That cost was the destruction, in a continent not over-endowed with such blessings, of a thriving economy and a prosperous, well-ordered, well fed and not unhappy land.

But what sanctions have failed to achieve, war will. The last act in this ignominious saga will see the Government, ever ready to submit to blackmail and call it statesmanship, paying the destroyers our money to rebuild what they have so brutally destroyed—and paying for years to come.

Yours faithfully,
IAN McELWAINE,
Friday Farm,
Rusper,
Horsham,
Sussex.
September 14.

Thought for food

From Dr Tilo Ulbricht

Sir, Under the headline "Britain may face starvation by year 2000" you printed a report (September 8) of my paper to the British Association meeting at Bath. I wish to make it clear that I did *not* state that "Britain might be starving by the end of the century".

This would have been particularly absurd as it is well known that the United Kingdom could be self-sufficient if it needed to be, by adopting a different (and incidentally almost certainly healthier) diet.

In my paper I pointed out that, for various reasons, real food costs were likely to rise in future, that agricultural production in the food deficit less developed countries was not keeping pace with population growth and that, although the technical knowledge was available, there were many obstacles to achieving the world production and distribution of food that would be necessary.

In view of the possibility of uncertain world food supplies, I concluded that the United Kingdom needed to maintain a viable agriculture and, in the face of increasing unemployment, to encourage the survival of the small farmer, thereby keeping open the option of increasing United Kingdom self-sufficiency.

Yours faithfully,
T. L. V. ULBRICHT,
Agricultural Research Council,
Great Portland Street, W1.
September 8.

Examination results

From Mr C. R. Leicester

Sir, You are to be congratulated on yesterday's leader (September 19), "Open government in education". *It admirably reflects the truth of* the situation.

Dr Rhodes Boyson has in the past been Headmaster of Robert Montefiore School, in the heart of London's East End, and then at Highbury Grove School in North London. Is he seriously postulating that the "A" level results differ between his two schools for any significant reasons other than socio-*economic ones?*

Yours sincerely,
C. R. LEICESTER,
National Chairman,
Professional Association of Teachers,
5 Wilson Street,
Derby.

Suspension of Times publications

From Professor Lord McGregor of Durris

Sir, On September 19, you reported the announcement by Mr M. J. Hussey, Managing Director of Times Newspapers, that production of all their publications would be suspended after November 30 unless or until the management and trade unions reach agreement on a range of issues. At the same time, Mr Hussey disclosed that some nine and a half million copies had been lost this year as a result of unofficial production disputes. You also quote Mr W. H. Keys, Chairman of the Printing Industries Committee of the TUC, as saying that "I have no illusion at all that the firm means what it says and will close unless there is an agreement".

The possibility that these publications will not appear for an *indefinite and perhaps long period* affects so seriously the public interest in maintaining the diversity of newspapers, regularly available, that I think it right to draw attention to the views of the Royal Commission on the Press, which reported under my chairmanship in 1977, on some of the questions under discussion.

The management of Times Newspapers declares that it seeks agreement with the unions to secure the introduction of new technology with appropriate manning levels but no compulsory redundancies; to achieve continuous production through a new disputes procedure; and to establish an improved company-wide wage structure. Provisional agreements between unions and employers by which every one of these aims could have been achieved for the whole industry were reached in 1976 in discussions on the Joint Standing Committee for National Newspapers, which had Mr Keys as its chairman and Mr Hussey as vice-chairman.

These agreements were outlined in a booklet, *Programme for Action*, written for union members in advance of a ballot, and commended to them by the general secretaries of NATSOPA, NGA, NUJ and SOGAT, and the representative of EETPU. *They wrote that rejection* of the proposals could have "extremely grave" consequences and a "serious effect on the continued viability of some titles . . ., the maintenance of employment, and the continuation of a strong and effective trade union organization". The agreements were rejected by a majority of members in all the production unions, and so a hopeful development which the Royal Commission had assisted and to which it attached high importance was frustrated.

The Royal Commission examined in their *Interim Report* how the benefits of new technology might be obtained without injury to the immediate or long term interests of workers in the industry. …ir recommendations concerning in…dustrial relations were framed …er the rejection of *Programme …or Action*. The *Final Report* p…ed to the need for a strong and ef…tive organization of employers …nd deplored the weakness of the …wspaper Publishers Association. …hen all allowances are made fo…the exigencies of a highly comp…tive industry, the members o…this Association fail to act in c…cert on industrial relations and …thus undermine cohesion within …ions as well as the ability of …nion officers to secure complia… by their chapels with properly …egotiated agreements.

The *Report* drew attentio… the advantages of establishin… one production union and redu… the 360 autonomous chapels …which negotiate separate agreeme… with publishers. It regarded chap… as at fault in exerting pressure… employers in breach of ag…ments reached by their unions, a…unions at fault in not restraini… their members whenever they c…d rely on the support of mana…ments; and it insisted that stoppag…should not take place until the …scribed disputes procedure had …en exhausted.

Finally, the Report …ed the desirability of establi…ng a coherent wage structur… in the industry to overcome the …ruptive effects of the wide rang… earnings of the same cat…ries of workers in different hou…

I have no doubt …at the announced aims of Ti…s Newspapers are in accord …ith the recommendations of … Royal Commission. *However* …astic it may be to contemplate … suspension of several publicati…, including our main journal of …cord, the recent history of th… industry suggests that no othe…ourse of action is now likely to …eate the circumstances in which…e public interest in assured pub…ation can ultimately be protected.

I am, Sir, Yours faithf…,
O. R. McGREGOR,
Far End,
Wyldes Close, NW11.
September 23.

From Mr Arthur Supe…

Sir, I write as a m…ber of the Labour Party and a …mer trade union branch officer.

I should hate to b…eprived of my *Times*, but I appl… your warning to *Times* workers…t is in the national interest tha…he anarchy in Fleet Street shou… stop, once and for all.

Yours faithfully,
A. SUPER,
49 Clapton Common, …
September 19.

Workers in Hongkong

From Mr Wong Tok Sau

Sir, On July 24, Mr Bob Cryer, Under-Secretary of State for Industry, stated in the House of Commons that Hong Kong workers were "grossly exploited", and he seemed to imply that Hong Kong, like South Korea, had no health, safety or employment legislation.

We are most perturbed by this criticism, especially from a senior official of Her Majesty's Government. From time to time Hong Kong has been the subject of comments, of which some are based on fact, but many are prejudicial, indicating inadequate information or vested interest. We naturally believe that statements by Her Majesty's Government or its officials must be factual and accurate. It is most disturbing, *therefore, to learn of Mr Cryer's* statement, which was anything but correct.

We do not propose to brief your readers on the measures taken in Hong Kong in social progress through joint efforts by the government and the community; it may be sufficient to point out that wages in Hong Kong are the second highest in Asia, that there has been a continuous shortage of manpower in industry, that labour-management confrontations have been few and far between and that, whereas the material benefits a…ing to the *average employee h… been rising* uninterruptedly ove…e years, the number of worki… hours has steadily declined.

We consider that …s a departure from the truth to …y that Hong Kong workers are g…sly exploited. That is a view b…d on neither facts nor impartial …ssessment. We submit that Hon… Kong's case cannot be fairly …ard in Great Britain, given this…ort of official misconception a… accusation. Moreover, as Hon…Kong is under the direct admin…ation of Her Majesty's Governm…t, there is a real danger that …s statement by a high ranking …icial could be construed as an …thentic assessment of Hong …Kong by Her Majesty's Govern…nt. This would not only mislead …e British public, but could dama… Hong Kong's relations with o…r countries. In the circumstance… we feel that it is not entirely …appropriate that a formal stat…ent from Her Majesty's Gover…ent should be made to indicat… the official view of the situation … Hong Kong.

Yours faithfully,
WONG TOK SA…, President,
The Chinese M…facturers'
Association of …g Kong,
64-65 Connaugh…oad C.,
Hong Kong.
September 1.

Saving legal archives

From Dr Christopher T. Watts

Sir, Despite recent encouraging responses to the increasing public concern about the erosion of the nation's archives, by weeding and bad preservation, there remains one major area which has so far avoided attention. This is the material created, held, and regrettably disposed of, by the legal profession.

At a national level, we have seen a Committee on Modern Legal Records authorize destruction of material as no longer needed by the legal profession, with little consideration of its historical uses; this decision was regretted soon after its implementation. A recent inquiry, to a District Registry of the High Court, for details of a 1920s court order elicited the reply: "as the Registrar has moved twice since 1939 . . . it can not be assertained whether the records before 1939 are still in existence"—a virtual admission to having lost records protected by the Public Records Act.

At the local level the situation is even worse. Numerous cases are known of solicitors who have called for the corporation dust cart rather than the local history librarian, when weeding out old material. Requests by historians for access to information often receives no reply, or even worse a demonstrably untrue one. The material that solicitors do …preserve is often stored in uns…ble conditions and, despite reque… by archivists for its deposit, is …mply left to rot.

As the leg… profession appears unwilling to …t its own house in order, action …ust be taken to make it take a mo…enlightened attitude to the histo…al material that it holds in tru… for us all. At a national leve… the existing District Court Regis…s should be rationalized and req…ed to provide proper storage, ind… and public search facilities, un… the guidance of the Public Reco… Office. At the local level, speci…d historical material held by soli…ors should be subject to storage, …spection and public access, und… the supervision of the County A…hivist, at least to standards … stringent as those called for i… the Parochial Registers and Record… Measure.

No dou… my proposals suffer from flaws… detail, but I challenge the legal …fession to abandon its arrogant …d irresponsible attitude to histori… material, and to turn them int… a workable *scheme*. Unless th… do so, I believe public concern …ill eventually force Parliamen… to enact suitable measures… correct the situation.

Yours fa…fully,
C. T. WA…S,
27 Fairvi… Court,
Manor R…d,
Ashford,
Middles…
Septem… 17.

Dappled but not dimpling

From Miss Paddy Kitchen

Sir, John Russell Taylor (*The Times*, September 19) refers to the author of "Glory be to God for dappled things" as a Georgian poet who conveyed "dimpling sentimentally". He also suggests that the "dappled things" include sunlight filtering through leaves.

In *Pied Beauty*, Gerard Manley Hopkins, who died in 1889, was writing of "All things counter, original, spare, strange": a bursting c…stnut case, rose-moles stipple… on swimming trout, the visual …mplexity of farmed landscape a… the implements of trades.

Now…re in that poem does he use an …age of leaves and sunlight. And I …ould contend that he was perha… the least sentimental of Victor… poets, agreeing with I. A. Richa… that "few writers have dealt …ore directly with their expe…ce or been more candid".

Yours…ruly,
PADD… KITCHEN,
Holy…t Road, SW6.

Complexion of the Anti Nazi League

From Mr George Mandel

Sir, The letter from Mr Neil Harvey and Mr Ian Harvey (September 21) shows that they do not fully understand why many British Jews are suspicious of the Anti-Nazi League. It is true, as they say, that a logical distinction can be made between anti-Zionism and anti-semitism. The point is, though, that *Zionism has repeatedly* been called a form of racialism by its opponents, which means that those of us who support it are ourselves being called racialists. Is it surprising that we hesitate when we hear those who, we suspect, share this view, inviting us to join an organization whose raison d'être is anti-racialism?

The leaders of the ANL could dispel our doubts if they were to state publicly whether or not they believe that Zionism is fundamentally racist. If the answer is no, many Jews will be reassured. If it is yes, they should explain (not only to us but also to their own supporters) why they are inviting unrepentant racialists to join them.

Yours faithfully,
GEORGE MANDEL
The Old Stores,
Combe,
Oxford.
September 21.

Buckingham Palace visits

From Lord Amulree

Sir, On June 22 last I was among the privileged few, members of the National Art Collectors' Fund, to be permitted to visit the State *Apartments* at *Buckingham Palace*, an experience I enjoyed. I should like to make use of your columns to put in a plea that more of her Majesty's subjects, and visitors to London, should be allowed to make this visit. Arrangements for this could be made for such days as her Majesty is not in residence. Now that visitors are allowed to visit Sandringham House, which is her Majesty's private property, there seems little reason for excluding the public from both Buckingham and St James's Palace, which are the property of the state.

It may be argued that the cost of these openings, when the question of security and of cleaning would be great: this is true, but this could be covered by charging a substantial sum for admission: and if too many visitors are expected, admission could be by ticket only.

London must be one of the few capitals which keeps its royal residences so firmly locked: in Madrid, for example, the royal palace is open to the public, although still used by the King for his work.

I remain, Sir, your obedient servant,
AMULREE,
House of Lords.
September 21.

Hampton Court limes

From Mr Toby Jessel, MP for Twickenham (Conservative) and Mr Marius Goring

Sir, At a meeting on September 19 between Baroness Birk, Parliamentary Under Secretary of State at the Department of the Environment, and ourselves, Lady Birk said she had not yet decided whether or not to authorize the felling of an entire avenue of 180 lime trees facing the eastern side of Hampton Court Palace as recommended by an advisory committee.

The next step would be a discussion between experts, some for and some against, relating to the number of trees that could be *regarded* as dangerous, the life expectancy of the remainder, and the technical advisability of continuing the traditional practice of gradual replacement of old trees by new ones.

Needless to say, we ourselves adhere to our conviction that the traditional method should be applied.

Yours faithfully,
TOBY JESSEL,
MARIUS GORING,
The Old Court House,
Hampton Court,
Surrey.
September 21.

From Mr N. D. G. James

Sir, Neither Professor Stearn (September 16) nor Mr Marius Goring (September 18) mentioned in their letters a characteristic of the lime which I suggest is very relevant to their case. This tree will withstand pruning of the heaviest kind probably better than any other species. It is possible that this is one of the reasons why it was used so often for planting avenues.

Yours faithfully,
N. D. G. JAMES,
Blakemore House,
Kersbrook,
Budleigh Salterton, Devon.
September 19.

A bird for each land?

From Mr David Owen

Sir, I agree with Mr Boswell that the Red Kite (Barcud) should be the national bird of Wales. As regards to Scotland, the Scottish Crossbill (Camghob) is probably unique but the Osprey (Iolaire Uisge) does not breed—in Britain—outside the Highlands. Its return also symbolizes the success of nature conservation in Scotland, and the widespread reemergence of the feeling that Scotland is a nation.

The choice of an English national bird is less clear cut. The Nightingale should be excluded as Y Eos breeds in Denbigh and Flint, and other areas west of the Offa's Dyke. The Stone Curlew may sadly cease to be a breeding bird in England, a victim of "progress" in agriculture. The Black Redstart is a fine example of opportunism in adverse conditions after the second world war. But, in my opinion, the Hobby is the most appropriate. It has long been admired in English history, and anyone who has seen its elegant flight while hunting insects and small birds on the wing would probably agree.

Yours faithfully,
DAVID OWEN,
44 Holmbush Road,
Putney, SW15.

Times Profile

The Pope's moral watchdog

Shortly after his election, Pope John Paul told the cardinals who head the various departments of the Vatican curia that he was not quite sure what they all did, but was enjoying looking them up in the pontifical year book. It was, perhaps, a mild and amusing way of cutting them down to size. The new Pope is the first for some time who has never worked in the curia, and this fact alone has been interpreted as a sign that the cardinals assembled in conclave were looking for something different in the new papacy.

Of all the departments of the curia,1at held in most fear, awe,)r cautious respect throu)ut the Roman Catholic world the Sacred Congregation l the Doctrine of the Faith. is the policeman of doctri orthodoxy and clerical morali Its activities are almostntirely hidden from public ıspection. It receives "dilatk" from all over the world, 'hich are in effect secret enunciations against churchı alleging some impropriety their conduct or teachin;Often the allegation is of seal misbehaviour. The Congregon investigates such denuncions. and where it can it initiatdisciplinary action.

Now at the ecumenical movemeı has reached the point wh churchmen and lay *people ol} shades* and colours are takir seriously the prospect of ristian reunion, the *role of* · Congregation for the Doctr. of the Faith at the very cen of the Roman Catholic Grch's machinery of governmeı must be open to examinatic and where necessary, critiom. If the Orthodox churches · the East or the Anglican crches of the West are seriousbout entering into communiomce more with the Roman papy, they will have to look cldy at the institutions whi surround the papacy and t in its name.

The publiface of the Congregation isnown almost entirely fromts public utterances: theris no direct way to penetrate:hind the facade to draw a me comprehensive portrait. *The things done by* the staff of the Congregation are covered by an oath of secrecy, which reinforces the Vatican's traditional distaste for journalistic inquiry. This distaste has its reasons: the Italian press is not exactly neutral on religious matters, much of it is marked by an anti-clerical tone, and the international press in Rome writes mainly for its home constituency. To discover the private face of a body like the Sacred Congregation, there is no alternative but to collect a variety of images and opinions from a number of unofficial sources, some of whom are likely to be disgruntled. Each *has to be weighed. Nevertheless,* the accumulation of evidence does give grounds for serious *concern.*

The Sacred Congregation for the Doctrine of the Faith took *its present name* in 1965, when Pope Paul VI ordered a moderate revision of its *statutes.* This new constitution has never been published, which makes it impossible to tell whether the Congregation keeps to its own rules. It was formally known, in English, as the Holy Office; before that, as the Holy Office of the Inquisition. One of the chief reasons for the change of title was to drop the emotive word "inquisition" and all it stood for.

People with long-standing experience of living in proximity to the Congregation are unanimous in maintaining that the tradition of the *Inquisition has survived the* adoption of a new name. This is not the tradition of old-*fashioned Protestant polemic,* of torture and deceit, however, but a way of doing business *that is peculiar to the Roman* curia in general, but most marked in this department. It *is a maze of invisible* dynasties, of circles and cliques of friendship. It is as true as ever *that a successful career* in the Vatican depends on the cultivation of friends higher *up the ladder, for example by* the selection of an important patron who may be a senior *archbishop or a curial cardinal.* Inevitably such people begin to owe each other good turns and do each other favours.

This style of internal communication in any bureaucracy *must raise questions not only* about the fairness of any internal promotions achieved *through "connexions",* but more seriously about the justice and truth of decisions arrived at. In Rome one hears continuously of people under investigation by the Sacred Congregation who "got themselves off the hook" by knowing someone who knew someone in the right place. In some cases so much detailed evidence is put forward, of names, times and places, and by such credible informants, that it is almost impossible to dismiss it as malicious invention.

The Sacred Congregation's work *can be considered under* three headings. It acts as a listening post, clearing house, *and investigating agency for* complaints against individual clergymen. It monitors and *comments on the work of other* departments of the curia, and of other official church bodies *whether international or* regional; and it issues pronouncements on contro*versial doctrinal or moral* issues of the day.

The two recent statements *which received most world*-wide attention were the declaration on sexual ethics, *and the statement on the* ordination of women. Both were issued with the authority of Pope Paul VI, and were generally regarded as bearing the full authority of the Holy See.

A detailed examination of the genesis of both pronouncements leaves some questions unanswered. The declaration on sexual ethics, which maintained a conservative view *of such things as masturbation* and homosexuality, seemed at first to have the Pope's full support. Later it became known that passages of the declaration followed very closely the text of a book by a prominent theologian, who happened to have been involved in drafting the document. It is said that Pope Paul was angry when he discovered this, as it weakened the authority of the document for it to be seen to be based on the opinion of one man—a known conservative, as it happened.

The *statement on* the ordination of women has also been questioned. The Sacred Con*gregation is supposed to enlist* the assistance of two independent theological bodies, the *International* Theological Commission and the Pontifical Biblical Commission, in deciding *controversial issues, though* opinion in the Roman Catholic theological community is that this arrangement does not work. In this case, the Biblical Commission was asked to produce *Scriptural arguments against* the ordination of women, for inclusion in the final document. *It failed to do so, reporting* that it could find no decisive objection on Scriptural grounds. The Sacred Congregation appears to have gone to considerable trouble to prevent publication of this verdict, although it did become known.

This episode has not in*creased the respect* with which theologians regard the pronouncements of the Sacred Congregation and the affair indicated the way in which the Congregation is a law unto itself. The Secretariat for Christian Unity, which is most concerned about the ordination of women because of its effect on relations with the Anglican and Protestant Churches, was not allowed to put forward the case in favour of the ordination of women and it is unlikely that the case was consid*ered on its merits.* For only the Secretariat, in Rome, is in touch with the strong theological arguments which have come in recent years from Anglican and other sources.

The two expert commissions were introduced by Pope Paul VI in answer to the criticisms that the Sacred Congregation *had no theological resources of* its own, and could answer new questions only by referring to precedent. *This blocked out the* possibility of ideas evolving with the passage of time, and threatened the *whole concept* of new and creative theology containing fresh insights or fresh *knowledge. It is not sur*prising that almost every answer the Congregation has given *in recent years to doctrinal or* moral problems, has been entirely predictable. *It has, however, encouraged the deve*lopment of what has become known as the "pastoral *approach" to such* vexed questions as homosexuality, whereby ancient moral norms are repeated on the one hand but confessor and counsellors are urged to be understanding and forgiving, on the other. Without going into them, there are serious objections to this method: a number of eminent moral theologians are known to regard it as a psychologically dangerous way round the rigidity of traditional Catholic teaching on sex, by tacitly condoning certain conduct but leaving behind a continuing sense of guilt.

It is not clear to what extent the Pope has participated in the formation of the policies emerging from the Sacred Congregation. Popes have tended not to participate in detailed argument, and they do not preside at, or even attend, the Congregation's regular meetings. It is a traditional assumption in the curia that it has the full weight of papal authority behind everything it does: but links in the chain of command are not so strong that this is beyond dispute.

It is part of the curial system that officers of the various secretariats and congregations overlap. Thus staff members who basically work in the Congregation for the Doctrine of the Faith also participate in the affairs of other sections, and this ensures that the Congregation has good intelligence on what is happening elsewhere. Given the system of invisible cliques and groups of friends, the Congregation has enormous *power.* It is formally entitled to be consulted about any matter which raises doctrinal *issues, such as revision of the* liturgy or the marriage of Catholics to non-Catholics.

This is generally regarded as a brake on reform, by members of other departments. But in one recent decision—perhaps when the system worked at its best—the Sacred Congregation forced the church's central matrimonial court, the Rota, to regard the marriage of a vasectomized man as valid, changing a long-standing principle that someone who had been voluntarily sterilized was not permitted to marry. This was a clarification of the church's doctrine on marriage in a liberal direction, and against the weight of legal opinion.

The most notorious aspect of the Sacred Congregation's work concerns its function as an investigating agency for moral delinquency or doctrinal deviation. Technically it can deal even with lay people, and once challenged the novelist Graham Greene. He is said to have ignored it, and the case was dropped; the *Pope* happened *to* be a particular admirer of his, anyway. But there are no possible *sanctions* against lay people, unless they happen to earn their living working for *the church. It is the clergy.* not excluding bishops, who interest the Sacred Congregation.

An *investigation usually* starts with a "dilation" which consists of a denunciation of a clergyman either for heresy or for immorality—often for both. It is said that the Sacred Congregation even acts on anonymous information: one official once defended this, when challenged privately, by saying "There is no smoke without fire." Many dilations appear to come from the United States, and are employed as regular tactics by extreme right-wing Roman Catholic groups there who appear to feel that the church has been over-run by homosexual Marxists.

In many parts of the world, the Roman Catholic Church has authority over academic institutions. A typical victim of dilation would be a professor of moral theology in such a body, which could well be a world-famous university run ultimately by trustees picked by the local Catholic hierarchy. A dilation generally starts with a number of written complaints sent to Rome—perhaps supported by one or two newspaper clippings, and apparently spontaneously from loyal Roman Catholics acting only from the best of motives—often involving questions of homosexuality, abortion and support of left-wing causes.

Apparently the Sacred Congregation always reacts to such reports: a common method appears to be to send the person involved a questionnaire, in the strictest confidence, and also in the strictest confidence to inform his immediate religious superiors—either the head of his religious order, or his local bishop. He may or may not be prevailed upon to visit Rome.

Because of the "no smoke without fire" principle, the victim will have to work hard to defend his job and his career. If he is not cooperative, or gives the "wrong" answers, the Sacred Congregation will contact the local church authority and ask them to act. Such is the awe with which the *Congregation is regarded, most* of them will do so: suggesting that the man might quietly resign and seek a post elsewhere, or refusing to renew his contract, or withholding promotion which might otherwise be open to him. Bishops who ar. reluctant to act may find themselves under pressure any one time, a bishop m well be looking for some mission or other from R on a quite unconnected ma and he will know that Ro cooperation could be dependent on his own bishops never talk about *matters, it is is impossibl* know how realistic this r struction might be: it is opinion of a number of placed people in Rome this is more or less ho works.

There is an impressio arbitrariness about the Co gation's interventions, su ing that it does not in cases but waits for dila The Congregation no l keeps the notorious "In of prohibited books whic compiled by its predece and only very rarely public warnings that a pa lar writer is considered in error.

The Congregation brought under the g supervision of the V Secretary of State by Paul, in a general r designed to increase ordination between V departments. Observers remarked that in the las or two—in fact since *bishop* (now Cardinal) l left the curia—the Sacre gregation for the Doctr the Faith has been more and self-confident. Mgr liked to involve himself in curial departments, the Secretary of State h Cardinal Villot, is said to to remain aloof.

In defence of the Congregation it must b that even its severest respect the integrity of t who run it, particular executive head, Arch Jean Hamer, OP. The never been the slightest financial corruption. In are known in which Co tion officials have refu follow the system, in an dual case, because it w to be manifestly unfair. a secretive set-up, impr and gross abuse of powe run rampant: it do appear to do so, and absence of any other and balances this coul be because of the high standards of the peo volved. "They are al men", one outspoken said.

The issue is rather the Sacred Congregation Doctrine of the Faith o *exist at all, or whet* various functions sho extinguished altogeth *transferred to other* which would functior openly.

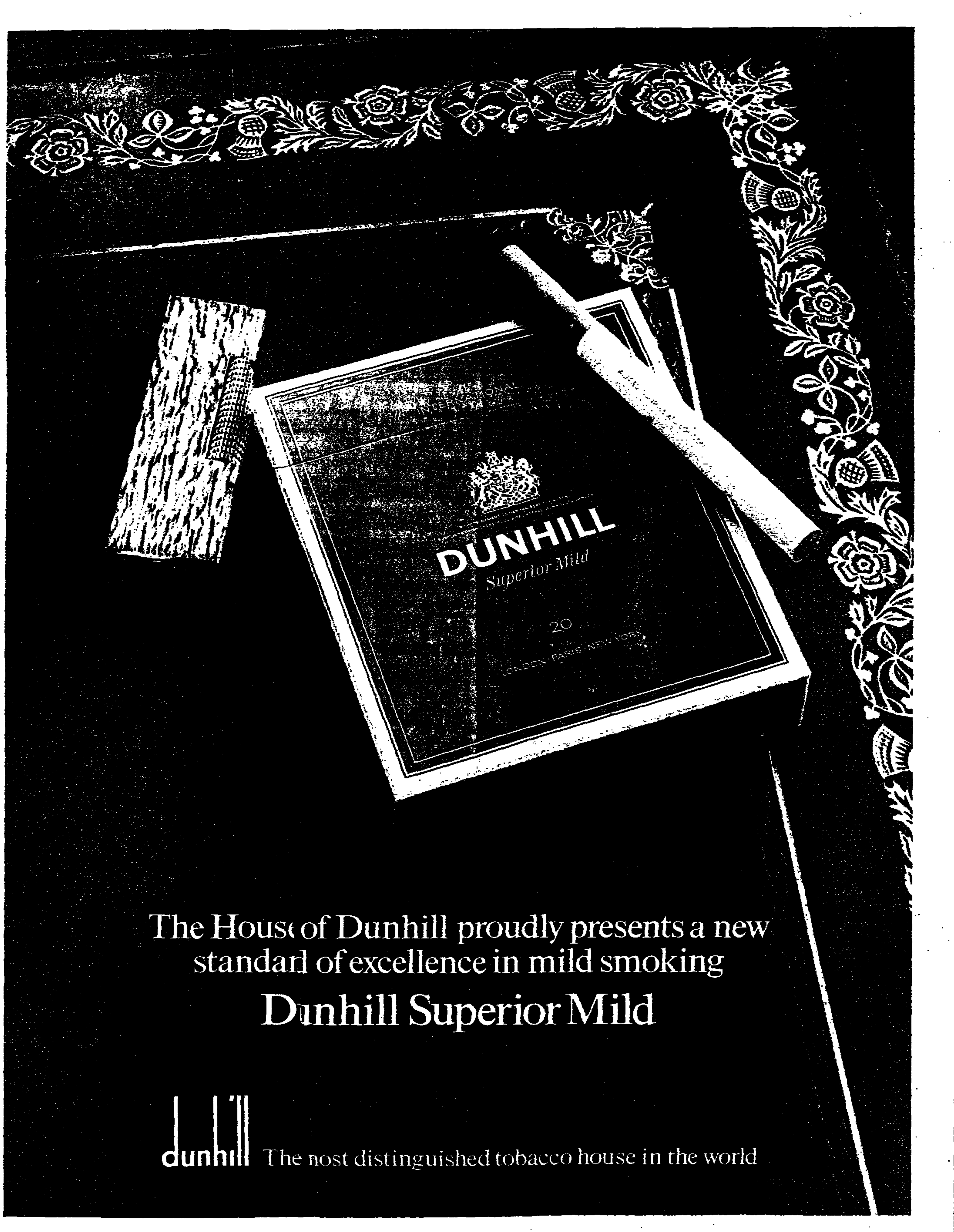
Sexual misconduct occur in the priestho doubtedly, and the chu to have some way couraging it.

Freedom of academic and of theological inqu the other, is not an obvi There is no reason should not be left to itiative of local bishops with, and made subjec rules of natural justice cases where the overall the community is felt mand corrective action kind. It may be that th has been reached wh such cases exist, and the authorities could dispen all forms of control.

The public teaching the Congregation seem *due for a searching rev* controlling body, of cardinals and seven appointed by the Pope, representative, elderly conservative. It ha *relationship at all to the* of Bishops which meets i every two years to sh *Vatican policy-making* and has no obligation sult anyone in particular issuing its findings. If not speak with the Pope nor with that of the wor college of bishops, it is all clear whether its w any theological authority Yet it can—and always claim to speak for the church, definitively, an out contradiction. Its sty close an issue before been really opened, as i of a general debate church.

Most seriously of all, an enormous polarity its work is regarded. the masses, untutored i logy or in the ways of the Sacred Congregation Doctrine of the Faith is possess a virtually ir authority: "*when* Ron spoken, all debate c Among the initiated, the know it closely enough its all too *human* flaw weaknesses, the Sacred gation for the Doctrine Faith has little credit pect. It can be outmano bluffed, or manipulated the right "*connexions*" it can virtually be ignor first indication of th Pope's view of *it is li* arise when he replaces t gregation's cardinal-pref Yugoslav, *Cardinal Sepe* has apparently let it be that he wants to resign. A *cardinal in the classical* mould would presumab it as it has always bee *an outsider, given* instr to reform it, would need able to show that he h Pope's full personal b otherwise the system defeat him. The first an necessary reform would to be the publication o vised constitution, includ Congregation's procedura as a step towards br down the secrecy and conspiracy which surrou But far more *imag* measures will have to be in the longer run, not l *ensure that the ecum* movement does not foun this particular submerged

Clifford Lo
Religious Affairs Corresp



هكذا من الإهمال

Christianity 'retreating' in spite of education in schools

By Clifford Longley
Religious Affairs Correspondent

The latest account of the religious beliefs of young people proves more than conclusively the point made by a Church of England Board of Education report last year, that Christianity was retreating rapidly in spite of, or even possibly because of, religious education in schools.

The religious clauses of the 1944 Act may prove eventually to have been one of the great missed opportunities of the twentieth century. No other subject was required to be taught by the Act, and no other subject is controlled as to content in the way that this one is. Yet while the churches have had direct and statutory access to the minds of school pupils, young people have become increasingly resistant.

Last week's figures talk of a decline of a quarter in four years in the number of children prepared to consider the Bible relevant to their lives; last year's report painted a picture of superstitious agnosticism, confusion, and ignorance. The epitaph to the 1944 religious education clauses was surely written by the 14-year-old, who "liked hearing stories about Jesus, particularly how he was found in the bulrushes".

That was one of the anecdotes collected by the Board of Education's survey, which also spoke of an almost universal sense of classroom boredom during religious education lessons. It is not hard to understand why: dry accounts of the doings of obscure prehistoric Palestinian tribes of nomads, or map drawing of the Church of England's diocesan boundaries, are hardly electrifying educational experiences. But such things are taught in schools.

In the past year or two the alarm bells have begun to ring in church circles, largely because society's attachment to Christian belief had become so tenuous that the place of Christianity in the school curriculum was being seriously challenged. As most adults received their education after the war, and hence since the 1944 Act was passed, social attitudes to religion are the product of the Act's philosophy, and of the failure of the intention of those who approved it, to entrench Christianity in national culture by teaching it compulsorily.

Those whose religious views were shaped by the workings of the Act in the fifties, are those who are questioning it in the seventies. Unlike 1944, there is no longer a consensus behind Christianity, and therefore no mandate from society to attempt to inculcate Christianity in the classroom. Christianity may now only be described with detachment, as one more system of belief.

This is the fashionable theory of religious education; the practice appears to be much worse. Teachers with little training, and often little enthusiasm, are set to take classes of restless teenagers through a meaningless recital of the stories of the Old Testament and the New, without insight, without any convincing explanation as to why this chore is imposed on them, and without any attempt to relate those past events to the present.

The Agreed Syllabus system has necessarily produced a "Lowest common denominator" religious education, with almost all the emphasis on the non-controversial teaching of Scripture. Luther, Calvin, and the Counter Reformation are for those doing O level history; Aquinas for A level candidates from Roman Catholic schools; the early Fathers and Councils of the Church are strictly for specialists at universities, and theology is for theologians.

And such Scripture as is taught lacks the possible authority of a fundamentalist approach: children are told that "they don't have to believe if they don't want to", and it is hardly surprising therefore that most children, as surveys repeatedly show, feel the Bible has been utterly discredited by Darwin and modern astronomy. It would be no exaggeration to say that almost all children have no idea what Christianity really is. They are in no state to reject it or accept it on its merits. The case for Christianity has not been put.

In all the churches, the only discernible attempt to make Christianity teachable has come from the Roman Catholic Church, which must be blessing the day it opted out of the state system. A whole new discipline, of "catechetics", has developed since the war and particularly since the Second Vatican Council, with particular emphasis on an enlightened presentation of doctrine. It would not be surprising if, by the end of the century, the only church with members under the age of 20 was the Roman Catholic Church; it is the only one to have shown any imagination. Compared with the mess in the "state" system, a lapse rate of a half of Roman Catholic teenagers is nothing short of a triumph.

It may be too late to re-equip religious education with the means it would need to make Christianity a credible option, as even humanists would be prepared to regard it, now that the situation his deteriorated so far. The numbers taking it at O level in 1974 was 5,500 out of nearly half a million; teachers are reluctant to specialize in it; local authorities are anxious only to meet the law's requirements and stay out of trouble. The present trend, towards comparative religion with a heavy dose of Bible stories, only increases the sense of unreality surrounding Christianity.

The better teachers, it appears, have quietly abandoned the official course and use the opportunity to deepen their pupils' experience of life by relaxed and improvised classroom discussions. Possibly the best hope for the survival of Christianity lies in that direction. If it can only be taught badly, it should not be taught at all.

COURT CIRCULAR

BALMORAL CASTLE
September 24: Divine Service was held in Crathie Parish Church this morning.
The sermon was preached by the Reverend Gordon Holroyd.
By command of The Queen, the Lord Hamilton of Dalzell (Lord in Waiting) was present at Heathrow Airport, London, this morning upon the departure of The Princess Margaret, Countess of Snowdon to visit Tuvalu, Fiji, the Philippines and Dominica, and bade farewell to Her Royal Highness on behalf of Her Majesty.

CLARENCE HOUSE
September 23: The Lady Elizabeth Basset has succeeded The Lady Jean Rankin as Lady in Waiting to Queen Elizabeth The Queen Mother.

KENSINGTON PALACE
September 23: The Princess Margaret, Countess of Snowdon, Colonel-in-Chief The Royal Highland Fusiliers (Princess Margaret's Own Glasgow and Ayrshire Regiment) on the occasion of the Regiment's Tercentenary, this morning presented New Colours to the 1st Battalion at Redford Barracks, Edinburgh.
Her Royal Highness, who travelled in an aircraft of The Queen's Flight, was attended by the Lady Anne Tennant and Major The Lord Napier and Ettrick.
September 24: The Princess Margaret, Countess of Snowdon, left Heathrow Airport, London, this morning in an aircraft of British Airways to represent The Queen at the Independence Celebrations in Tuvalu and Dominica.
Her Royal Highness will also visit Fiji, the Philippines and [illegible].
Her Royal Highness was received at the Airport by His Excellency Mr Todao Kato (Ambassador of Japan), His Excellency Mr J. D. Gibson (High Commissioner for Fiji), His Excellency The Hon José Stilianopoulos (Ambassador of the Philippines), Mr John Stow (Special Representative of the Secretary of State for Foreign and Commonwealth Affairs), Mr Antony Crooke-Smith (Chief of Airside Safety and Operations for the British Airport Authority) and Mr G. Draper (Director of Commercial Operations, British Airways).
The Hon Davina Woodhouse and Major The Lord Napier and Ettrick were in attendance.

KENSINGTON PALACE
September 23: The Duke and Duchess of Gloucester left London Airport this afternoon to visit Italy.
Their Royal Highnesses travelled in an aircraft of The Queen's Flight.
Lieutenant-Colonel Simon Bland and Miss Susanna Cryer were in attendance.

The Duchess of Kent will attend [illegible] Export Council dinner at Goldsmiths' Hall and the [illegible] Church of England Children's Society Founders Day at the Albert Hall, both on October 25.

The Prime Minister of New Zealand is 57 today.

Birthdays today

[illegible] David Anderson, 83; Mr [illegible] Barker, 49; Mr Colin [illegible], 51; Sir Robert Fairbairn, [illegible] Lieutenant-General Sir [illegible] Hood, 90; Sir David [illegible], 65; Professor Hugh Hunt, [illegible]; Dr Eric Williams, 67.

£50,000 winner

[illegible] weekly £50,000 Premium Savings Bond prize, announced on Saturday, was won by number [illegible] 549237. The winner lives in [illegible], Essex.
[illegible] 25 £1,000 winners were:

[illegible]

Ramsay fellowships

Ramsay Memorial Fellowships Trustees have made the following awards of fellowships in chemistry for 1978-79:

[illegible] fellowship: Dr H. N. C. Wong, University College London. Glasgow fellowship: Dr B. Stewart, Glasgow University. Netherlands fellowship: J. H. van Lenthe, Bristol University. Spanish fellowship: Dr R. [illegible], King's College, London.

The following fellowships have been renewed:

M. A. Yuratich, general fellow, Southampton University; Dr Hiro-o [illegible], Japanese fellow, Cambridge University; Dr J. C. J. Bart, Netherlands fellow, Oxford University.

Forthcoming marriages

Mr P. H. Gibson and Miss M. S. Churchill
The engagement is announced between Paul, only son of the late Mr J. H. Gibson and Mrs Gibson, of Lichfield, and Margaret, younger daughter of the Very Rev J. [illegible] and Mrs Churchill, of Carlisle.

Mr S. C. G. Handley and Miss V. J. Harvey
The engagement is announced between Stephen, elder son of Commander and Mrs T. D. Handley, of Shenfield, Essex, and Vivienne, only daughter of Mr and Mrs Peter Harvey, of Weybridge, Surrey.

Mr E. Winkler and Miss R. Fielden
The engagement is announced between Eric, elder son of Mr and Mrs E. Winkler, of Hongkong and Zurich, and Rowena, younger daughter of Mr and Mrs R. J. Fielden, of Kemsing, Kent.

Marriage

Mr M. Wolf and Miss M. Wozniak
The marriage took place on September 24, in Warsaw, Poland, between Mr Max Wolf, elder son of Mr and Mrs G. V. Wolf, of Disley, Cheshire, and Miss Miroslawa Wozniak, daughter of Mr and Mrs Wozniak, of Warsaw.

Christenings

The infant daughter of the Hon Clive and Mrs Gibson was christened Beatrice Dione Elizabeth by the Rev John Arrowsmith on Saturday, September 23, at St Paul's Church, Covent Garden. The godparents are M Bernard Combemale, the Hon Piers Gibson, Mme Ethel De Croisset and Lady Emma Guinness.

The infant son of Mr and Mrs Richard Cornwall-Legh was christened Kenelm Michael by the Rev Andrew Dean in the private domestic chapel at High Legh, Cheshire, on Saturday, September 23. The godparents are Mr Christopher Fairweather, Mr Jon Foulds, Mrs Nicholas Gardner, Mrs Christopher Braithwaite and Miss Rohan McCullough.

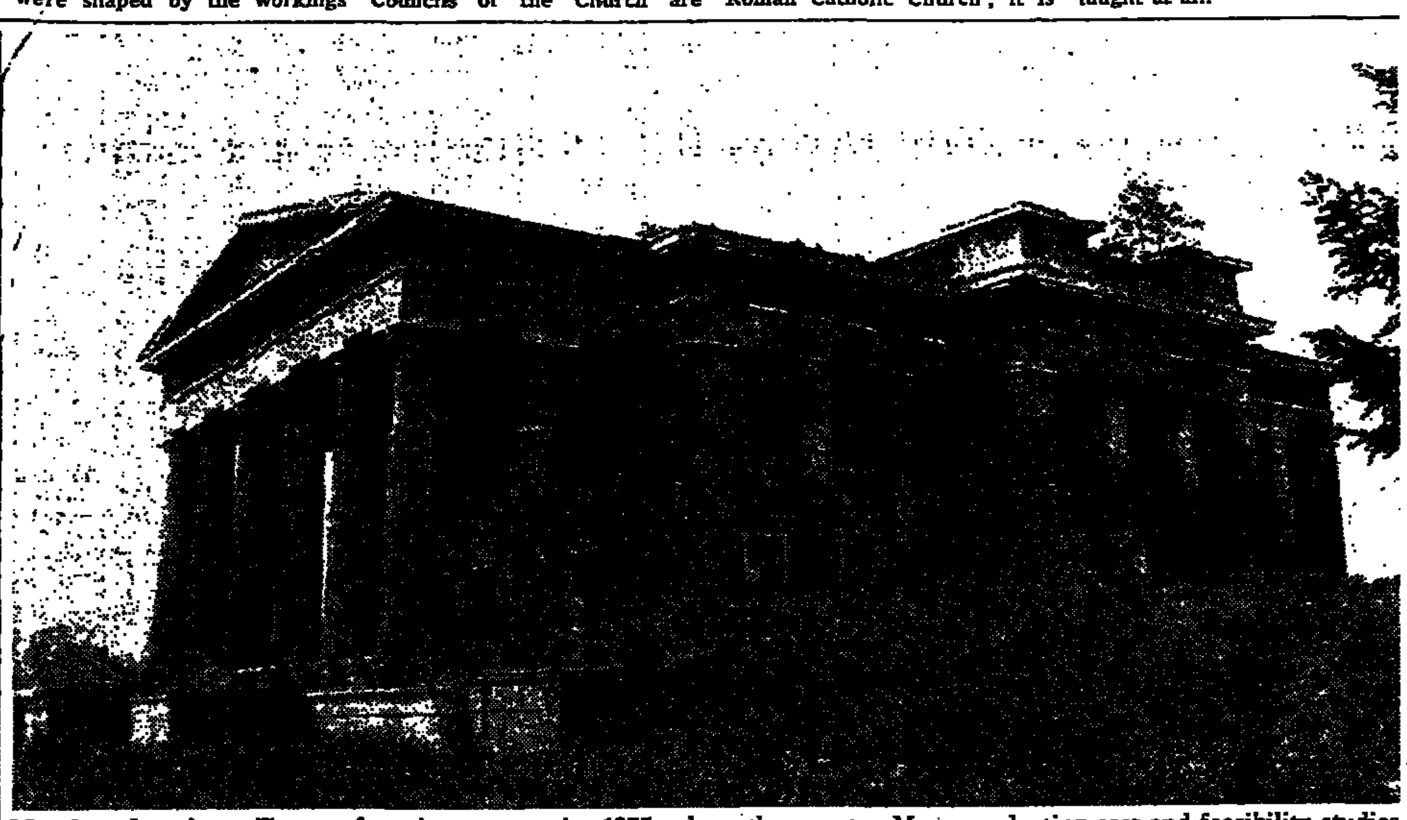
Today's engagements

The Duke of Edinburgh, as Colonel, visits the 1st Battalion, the Grenadier Guards, Sennybridge, Powys, noon.
The Duchess of Kent attends "Women of the Year" luncheon, Savoy Hotel, 12.30.
Recitals: Gillian Spragg, piano, St Lawrence Jewry, 1; Jonathan Hagger, St Michael's Cornhill, 1.
Exhibitions: Customs and Excise art club annual exhibition, Royal Exchange, 10-3.30. International book design and production, National Book League, Albemarle Street, 10-6. Institute of Incorporated Photographers, Reed House, Piccadilly, 9.30-5.

Dinners

Faculty of Architects and Surveyors
The President of the Faculty of Architects and Surveyors, Mr T. D. Ricketts, presided at a dinner given at the Royal Pavilion, Brighton, on Saturday, on the occasion of a weekend seminar held at Sussex University in conjunction with the Brighton West Pier Society.

Old Abingdonian Club
The annual dinner of the Old Abingdonian Club was held at the school on Saturday, September 23. The president, Mr H. M. Gray, was in the chair and guests included the Headmaster of Abingdon School, Mr M. St J. Parker.



Mansion decaying: Hopes of saving The Grange, a Palladian mansion a few miles from Winchester, are growing increasingly remote (our Planning Reporter writes). The house was at the centre of a controversy in 1975 when the owner, Mr John Baring, threatened to have it blown up because he could not afford to restore and maintain it. It is now in the guardianship of the Department of the Environment, which is conducting cost and feasibility studies. But while architects and surveyors tread its silent corridors, the fabric continues to decay and department officials see little likelihood of funds being made available.

The Pope calls for a 'new wave of love'

From Our Own Correspondent
Rome, Sept 24

The Pope today encouraged people to remember that not everything was bad in modern society and not everyone dishonest. There were still many good and honest people, he said.

His proposal for improving society was: "Everyone of us should seek to be good and to infect others with a goodness imbued with the weakness and love taught by Christ". He called for prayers that God grant that "a new wave of love towards one's neighbour pervade this power world".

He expressed his satisfaction with the welcome given him yesterday by the people of Rome and by Signor Giulio Carlo Argan, the left-wing Mayor, when he made his first journey outside the Vatican to take possession formally of his Cathedral Church of St John Lateran.

Latest wills

Miss Winifred Humfries, of Eastbourne, left £115,660 net. After bequests totalling £27,750 and effects the residue was left to the Theosophical Society in England.

Other estates include (net, before tax paid; tax not disclosed):

Brutsch, Mr Jacques Berthold, of Leatherhead £208,153
Hewitt, Mr Ronald Charles, of Dereham £269,561
Miller, Mr Reginald James, of Exmouth £297,521
Preston, Mr Kenneth Albert, of South Benfleet £379,663
Reynolds, Mr John Dorrien, of Brislington £330,823
van Konynenburg, Mr Dominicus, of Sharnbrook £418,707

Science report

Earthquakes: Prediction progress

By the Staff of *Nature*

When a destructive earthquake occurs, such as the recent disaster in Iran, people understandably ask what progress has been made in prediction. The Chinese are reliably reported to have saved many thousands of lives during the past few years by successful predictions; so when is this expertise likely to spread elsewhere?

The United States, the Soviet Union and Japan also have big research programmes, and information flows freely between those countries but the Chinese experience shows that success is most likely when a large army of amateur observers is mobilized to report any and everything unusual. For it seems that some of the premonitory symptoms can be detected without complex analysis or sophisticated apparatus.

It is thus a matter of considerable interest when new discoveries of possible precursors are made so that it can be written "this technique is simple enough for amateur observers to make the appropriate measurements". Dr R. Sugisaki, of Nagoya University, has just made such a claim.

It is well known that before some earthquakes the concentration of the radioactive gas, radon, in ground water increases. Although the exact reason for that is open to doubt, it probably results when large stresses in rocks open up microfractures and allow the release of radon which has come from minute quantities of uranium minerals by radioactive decay.

Radon is not the only gas given off by rocks; others include helium, nitrogen and argon. Dr Sugisaki suggests that by looking at the relative amounts of those gases, some idea can be formed of the extent of cracking within rocks.

Since 1976 he has been collecting water issuing from a fault zone near Nagoya. Gas bubbles from the water are accumulated and analysed in a simple chromatograph. Every two or three days a new value of the ratio of nitrogen to argon, and of helium to argon, is plotted on a graph, and over the months oscillations of more than 10 per cent in those ratios are seen.

When the oscillations are correlated with the occurrence of four earthquakes near by, it seems that there is quite a close link between a departure from normal values and an earthquake a few weeks later.

If further research confirms the value of that or a similar technique, what is the chance of its being deployed, say, in Middle-Eastern countries so often visited by earthquakes? It should not be too difficult to find volunteers prepared to operate stations, report results regularly and do routine servicing. Many volunteers already run meteorological stations contributing to a large network.

The difficulty is to decide how widely to deploy instruments. Chinese results show that sometimes a precursor is seen 100 kilometres from an earthquake but not at much closer range. And severe earthquakes often occur on faults that have been inactive for many years.

But to spread the net too wide is to lead to dispirited observers, for there can be little motive for a volunteer to continue recording something which never varies. Those are questions that probably must be faced in the next decade as prediction advances from its largely research phase and becomes a more widespread operational reality.

Source: *Nature*, September 21 (275, 209-211).

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Nature, the international science journal, is published weekly in London by Macmillan Journals Ltd.

Church news

Resignations

The Rev R. H. Craig, Rector of St John the Baptist, Mersham, and priest-in-charge of St Peter and St Paul's, Bilsington, diocese of Canterbury (Oct 31).
The Rev C. K. Douglas, Rector of West Bergholt, diocese of Chelmsford (Oct 31).
The Rev F. O. Osborn, Vicar of Scrooby with Ranskill, diocese of Southwell (Oct 31).
The Rev E. E. Sadler, Vicar of Emmanuel, Exeter (Oct).
The Rev D. L. Peyton-Jones, Vicar of Appledore and priest-in-charge of Lundy, diocese of Exeter, on Oct 1, to become assistant to the Hon Chaplain, Missions to Seamen, Plymouth.

25 years ago

From The Times of Thursday, Sept 24, 1953

By Our Parliamentary Correspondent

The main conclusion of the Royal Commission on Capital Punishment whose report was published yesterday is one that would involve a radical change in the law relating to murder. The commission express the view that the only practicable way of correcting the rigidity which they regard as being the outstanding defect of the existing law is to allow the jury to decide on the facts of each case whether punishment by imprisonment for life should be substituted for the death penalty. This is a unanimous conclusion. "We recognize", states the report, "that the disadvantages of a system of jury discretion may be thought to outweigh its merits. If this view were to prevail the conclusion would seem to be inescapable that in this country a stage has been reached where little more can be done effectively to limit the liability to suffer the death penalty, and that the issue is now whether capital punishment should be retained or abolished." On two issues the members of the royal commission failed to agree. One was the question of the minimum age at which persons convicted of murder should be liable to execution. By a majority of six to five the commission recommend that the age limit should be raised from 18 to 21 in both England and Scotland. The other disagreement was about the criterion of criminal responsibility in cases where insanity is pleaded as a defence by persons charged with murder.

BBC wins television prize

Milan, Sept 24.—The BBC won the premio Italia for the best television documentary at the annual radio and television contest which ended here yesterday.

The Premio Italia, the contest's main prize is worth 10,000 Swiss francs (£3,300). It was awarded to the documentary *Casualty* which showed a 24-hour work-cycle of doctors and nurses at a Bolton hospital. The film was directed by Tim King.

The BBC also took the main prize for the best television feature film, *The Parasites*.

OBITUARY

ADMIRAL SIR CHARLES WOODHOUSE

Captain of HMS Ajax at the Battle of the River Plate

Admiral Sir Charles Woodhouse, KCB, who as a Captain commanded the light cruiser HMS Ajax at the Battle of the River Plate in December 1939, died on September 23. He was 85. Ajax was the ship from which Commodore Harwood, the commander the British forces in the battle, directed the action on December 13, 1939, in which the British cruisers Ajax, Achilles and Exeter tackled the German pocket battleship, Admiral Graf Spee eventually forcing her to put into Montevideo from which port she emerged only to scuttle herself four days later.

Besides being an inspiriting success to Britain during the first few listless months of the Second World War the action off the River Plate was also a skilfully fought sea battle by British light forces against a far more heavily gunned opponent.

Later in the war Woodhouse became Director of Naval Ordnance and was subsequently Commander-in-Chief, East Indies Station.

Charles Henry Lawrence Woodhouse was born on July 9, 1893, and entered Osborne as a naval cadet in September, 1906. In the spring of 1911 he passed out from the training cruiser Cornwall third of his term of 60 cadets, with first prizes in history, English and scripture knowledge. As a midshipman from 1911 to 1913 he served in the Inflexible.

When the First World War broke out he was sub-lieutenant of the cruiser Bristol, in which he was present in Admiral Sturdee's action off the Falklands which ended the operations of German surface raiders in the southern oceans.

Promoted lieutenant in April, 1915, he served in the Malaya in the Grand Fleet, the following year taking part in the Battle of Jutland. Susequently he specialized in gunnery, and at the time of the armistice was serving on the junior staff at Whale Island.

He was afterwards gunnery officer in HMS Conqueror in the Reserve Fleet, the cruiser, Ceres, in the Mediterranean, the Coventry when flagship of the Mediterranean destroyer flotillas, and the battleship, Royal Sovereign, in the Atlantic Fleet. He also twice served on the staff at the gunnery school, to which he was reappointed on promotion to commander in December, 1927.

During 1930 he qualified at the Staff College. From 1931 to 1933 he was staff officer (operations) and squadron gunnery officer in the Second Battle Squadron, Home Fleet, and in 1933-34 was executive officer of the cruiser Enterprise in the East Indies.

After his promotion to Captain in December, 1934, he was Assistant Director of Naval Equipment for two years, and in October, 1937, took command of the cruiser, Ajax, in the South American Division of the America and West Indies Station. He was still holding this command when the Second World War broke out and it was as Ajax's commanding officer that he joined Force G, one of the hunting groups formed to put an end to the menace created by the commerce raider, Graf Spee, the 11-inch gun German pocket battleship. Commodore Harwood, Force G's commander, had originally flown his broad pennant in the 8-inch gun cruiser, Exeter, but when Exeter had to go to Port Stanley in the Falklands on October 27 for repairs it fell to Ajax to be the controlling ship.

When battle was joined in the seas to the East of the Rio de la Plata on December 13 the two six-inch cruisers, Ajax and Achilles, acted together while the more heavily gunned Exeter turned to take the Graf Spee from the South. Exeter was soon heavily damaged but Captain Langsdorff, Graf Spee's commanding officer, was prevented from finishing her off due to the spirited intervention of the two smaller cruisers. Ajax closed the range first to 11,000 and subsequently to 8,000 yards although 11-inch shells had destroyed her two after turrets and subsequently carried away her topmast. But though damage to Ajax was heavy, her action enabled Captain Bell to extricate the stricken Exeter from the battle and make his escape to the Falklands. Turning away under smoke Ajax broke off the close action and subsequently both light cruisers shadowed Graf Spee to Montevideo. The sequel to the action is well known. Graf Spee was scuttled and her captain shot himself.

For his part in the action Woodhouse was appointed CB.

He left HMS Ajax in the spring of 1940 and was Deputy Director and subsequently Director of the Local Defence Division, Admiralty, for two years. Later he was in command of the battleship HMS Howe during the Gulf of Salerno operations and, as a Rear-Admiral, was Director of Naval Ordnance from 1944 until 1946 when he was appointed Rear-Admiral Aircraft Carriers with the British Pacific Fleet. Later he commanded the Fifth Cruiser Squadron in the same Fleet until 1947.

He was promoted Vice-Admiral in January, 1940, and later took up his final appointment as C-in-C East Indies. He retired in 1950. He had been advanced to KCB in 1949 and was also a Commander of the Chilean Order of Merit, a decoration he had received for his services during the earthquake at Concepcion in January, 1939, services rendered when he was in command of HMS Ajax.

Woodhouse married, in 1928, Barbara Margaret, daughter of Dr H. M. Brownfield. There were three daughters of the marriage. Lady Woodhouse survives him.

MRS MARY HARVEY

A correspondent writes:—

Mrs Mary Harvey, secretary of the Design and Industries Association from 1946 to 1961, died on September 13 at the age of 75.

The association was set up in 1915 to encourage good design in industry with a particular eye on exports.

Mary Harvey's introduction to design came when she joined Dunbar Hay, a privately sponsored organization, to promote good design in furnishings, which was run by Cecilia Dunbar Kilburn, now Cecilia Lady Sempill. During the war years the Wrens had Mary Harvey's full attention.

From a small office in the Building Centre then in Conduit Street, she took over her secretarial duties, moving shortly to premises in Suffolk Street. The re-establishment of the DIA in the post-war years was full of problems; there was much to be done, but as each one came along, it was tackled in a vigorous manner—failures were few. Those who are fortunate enough to possess copies of the Year Books of this period will know of the volume of work handled by the small secretariat under her control and guidance.

The weekend conferences organized at Ashridge College gave particular pleasure to her, and offered the DIA the opportunity of reaching a wider group of people especially from industry.

Overseas tours were always highly organised and gave great pleasure to many members.

MR R. J. STOPFORD

Mr Robert Jemmett Stopford, CMG, who died on September 20 at the age of 83, was Financial Counsellor at the British Embassy, Washington, 1940-43, and at the War Office, 1943-45. He was a former chairman of the National Film Finance Corporation and vice-chairman of the Imperial War Museum, 1954-68.

Educated at St Paul's School and Magdalene College, Cambridge, he saw service in the First World War and from 1921 to 1938 was engaged in banking. He was a member of the Runciman Mission to Czechoslovakia in 1938 and liaison officer for refugees with the Czechoslovakian Government in 1938-39. He was made CMG in 1946.

Mr Clifford McLaglen, the film actor, has died in hospital in Huddersfield at the age of 86. He was one of the several brothers of the better known film star Victor McLaglen. Clifford McLaglen had appeared in films with Phyllis Neilson Terry, in a number of early Tarzan films and also on the New York stage.

AIR VICE-MARSHAL W. M. YOOL

Air Vice-Marshal W. M. Yool, CB, CBE, died on September 19 at the age of 84. Educated at Glasgow Academy and Queen's University, Belfast, William Munro Yool served initially with the army before joining the RAF at the end of the First World War.

Between the wars his appointments included instructor at the Staff College and during the Second World War he was successively at the Air Ministry at the Directorate of Plans; Personal Staff Officer to Sir Charles Portal, then the Chief of Air Staff; and later Director of Organization at the Air Ministry. In 1944 he was appointed Air Officer in Charge of Administration at Technical Training Command. He retired in 1949 and was Director of Auxiliaries, Reserves and Air Cadets from 1951 to 1954.

He was appointed CBE in 1941 and CB in 1946.

All-party support for Silkin talks in Europe

Agriculture

Hugh Clayton

[illegible] food industry leader was talking [illegible] about Mr John Silkin, Minister of Agriculture, Fisheries and Food. He praised the minister for his steadfastness in Brussels and described him as "a jolly nice [illegible]". He concluded by saying: "I wish he was a Conservative." That remark was meant as a criticism of the Conservatives, not of the minister.

Now that the general election has been postponed Mr Silkin is about to begin his third full season of negotiating in Brussels. He does so with a remarkable degree of support, some of it tacit, from leaders of industry who might be expected to be natural allies of the Conservatives.

When Mr Silkin succeeded Mr Frederick Peart at the ministry almost exactly two years ago he was greeted with apprehension. Mr Peart, who has since been given a peerage and made Lord Privy Seal, was regarded with affection as one of the longest-serving and most [illegible] of farm ministers.

Mr Peart was considered a safe [illegible] by farmers and industrialists who observed with approval his conversion to the cause of British EEC membership and shared his exasperation with left-wing members of his party such as Miss Joan Maynard, MP for Sheffield, Brightside, who is sponsored by the National Union of Agricultural and Allied Workers.

Mr Silkin reached the ministry with the reputation of a convinced anti-marketeer little more than a year after farmers and food industry leaders had led the pro-European side in the EEC referendum campaign. He was a member of the *Tribune* Group and his work as Minister for Planning and Local Government had been resented by rural landowners.

This year he has been praised in private as the best farm minister in the memory of some leaders of agricultural and food-processing organizations. He has been assisted enormously in winning the hearts and minds of the food industry by a succession of acts by the European Commission and the council of Community farm ministers.

They have alienated the pro-market forces in the British food industry to the extent that the Food and Drink Industries Council, one of the most fervently pro-market groups, incited Mr Silkin last week to break EEC rules on behalf of British pig farmers and processors.

He has also been luckier than other ministers. When Mr Edmund Dell, Secretary of State for Trade, registers a success in international diplomacy, it is almost invisible at home because of its complexity and obscurity. His work is unnoticed by most of the electorate.

Mr Silkin works with food prices, so his successes affect every family. He is therefore better known than Mr Dell. At the same time he is seen in a favourable light. Unlike Mr Eric Varley, Secretary of State for Industry, he has no conspicuous embarrassments among his responsibilities. There is no equivalent of British Leyland in British farming, food processing or fisheries.

Mr Silkin said before the Prime Minister announced that there would be no election in October: "Farmers tend to vote Tory and pray for a Labour Government, knowing that they have always done best under Labour. Farmers are doing pretty well, and they know it." Sir Henry Plumb, president of the National Farmers' Union and a former member of the Conservative Party, however, has little praise for the minister.

"If you look back through history to the old price reviews, the awards in global terms were probably as good, if not better, under a Labour government as they were under a Conservative government", he said.

"I accept that he has done certain things which in the longer term will be in our interests. He put up a good fight to save the milk marketing boards. I never personally accepted that the boards were in doubt: he was made to fight because of his intransigent attitude in Europe."

Sir Henry accepted that farmers had to make sacrifices as often as everyone else in the inflationary period of the mid-1970s. "Our industry, like any other, has had to play its part in beating inflation. Where I do criticize the minister is that I believe that we could have played a much bigger part if we could have increased our share of the market. Here, I think, he and the Government have failed."

Another opinion about Mr Silkin was given last week by Mr H. M. Newton-Clare, chairman of the Bacon and Meat Manufacturers' Association. "John Silkin has been a doughty warrior in Brussels, and Fred Peart before him", Mr Newton-Clare said. "I think John Silkin has done a very good job."

The most surprising source of recent praise for the minister has been Mr Tim Fortescue, a former Conservative MP, who is now secretary-general of the Food and Drink Industries Council. His comment was: "I hate to say this in view of my antecedents, but I believe that Mr Silkin is doing very well for us. He intends to continue his very tough line, and he does not care how many enemies he makes."

The EEC Commission and the council of ministers may be as obdurate about British agricultural demands in the coming Brussels session as they have been in the past about fish. There is a chance that on some farming issues Mr Silkin may be armed in the coming six months with the all-party and all-industry support that he has enjoyed this year on fish. The latest statement about milk from Mr John Peyton, chief opposition spokesman on farming and food, contains much with which the minister would agree.

Appointments in the Forces

Royal Navy

REAR-ADMIRALS: G. I. Pritchard, to be Flag Officer and Port Admiral Gibraltar and Comgibmed in Jan: J. A. Bell, ret list, Jan 15.
CAPTAINS: W. A. Waddell, to be promoted rear-admiral, Jan 7 and to be Flag Officer Admiralty Interview Board [illegible]
[illegible]
C. Kirk, MoD with DNAO, Oct 17: P. J. A. Ford, MoD for duty with DG Ships (CNSA/DNE), Oct 3: G. P. Stock, MoD with DNAO, Jan 9: T. S. Taylor, Lowiston in Cmd, Sept 25: J. C. Taylor, Naval and Air Attaché Islamabad, Oct 20: R. D. Ferguson, Dartmouth, April 27: R. M. Aylward, ret list, Nov 12 (granted the hon rank of capt on rt list): M. K. Matthews, retd list, Nov 18: A. G. A. Pogson, ret list, Nov 20.
SURGEON COMMANDER: J. R. Fullerton, retd list, Sept 30.
SURGEON COMMANDER (D): [illegible]
ROYAL MARINES
[illegible]
The Army
[illegible]
COLONELS: Bt Lt-Col P. D. Baldry, RCT, to be Col TAVR, HQ SW Dist, Oct 1: J. A. Castley, apptd Chf Pmr, HQ 1 (BR) Corps, Sept 23: D. G. Cattermull to be Comd, HQ Northag Sp Gp, Sept 29: J. W. Chown to be Col Ed, MoD, Sept 30: P. K. Coakley to be Cons Surg, BMH Hannover, Oct 3: D. V. Fanshawe, to be CO Regt & Regtl Col, Gren Gds, Sept 30: C. J. Gilbert to be Comdt Nato Communications School, Latina, Oct 5: Lt-Col P. W. E. Istead, RAOC, to be Col AQ, HQ 4 Armd Div, Sept 27: R. K. Kelsey to be Comd Mil Element attached to DST(GV), MoD(N), Sept 29: F. T. MacVicar apptd Cons Surg, BMH Rinteln, Sept 11: J. F. Moffatt to be Col Ed, MoD, Sept 30: D. G. Richardson to be D Comdt, SEME, Oct 1: G. E. V. Rochfort-Rae, to be [illegible]
[illegible]
to Dent Offr, 9 Dent Gp, Oct 3.
RETIREMENTS: Lt-Gen Sir Rollo Pain, Oct 2: Maj-Gen D. E. [illegible], Oct 2: Brig R. N. Ohlenschlager, Sept 29: Brig M. B. Page, Oct 1: Brig P. G. MacDonald, Oct 2.
ERRATUM. Cancel reference to retirement of Brig P. G. A. Prescott.

Royal Air Force

GROUP CAPTAIN: B. R. L. Easton to MOD (OB), Sept 25: R. M. Robson to RAF Gatow, Stn Cdr, Sept 27: D. L. F. Thornton to Biggin Hill as President Air Board OASC, Sept 25.
WING COMMANDERS (with acting rank of group captain): J. E. Andrews to RAF Uxbridge as ADP Project Team Leader, Sept 25: M. Burton to MOD as DD Ops (Nav) (RAF), Sept 25: [illegible]
[illegible]

Stock Exchange Prices

Capitalization and week's change

ACCOUNT DAYS: Dealings Began, Sept 18. Dealings End, Sept 29. § Contango Day, Oct 2. Settlement Day, Oct 10.

§ Forward bargains are permitted on two previous days

(Current market price multiplied by the number of shares in issue for the stock quoted)

BRITISH FUNDS

[illegible]

COMMONWEALTH AND FOREIGN

[illegible]

LOCAL AUTHORITIES

[illegible]

Investment Dollar Premium [illegible]
Premium Conversion Factor [illegible]

FOREIGN STOCKS

[illegible]

DOLLAR STOCKS

[illegible]

BANKS AND DISCOUNTS

[illegible]

BREWERIES AND DISTILLERIES

[illegible]

COMMERCIAL AND INDUSTRIAL

A—B

[illegible]

C—E

[illegible]

F—H

[illegible]

I—L

[illegible]

M—N

[illegible]

O—S

[illegible]

T—Z

[illegible]

FINANCIAL TRUSTS

[illegible]

INSURANCE

[illegible]

INVESTMENT TRUSTS

[illegible]

SHIPPING

[illegible]

MINES

[illegible]

OIL

[illegible]

PROPERTY

[illegible]

RUBBER

[illegible]

TEA

[illegible]

MISCELLANEOUS

[illegible]

Capitalization £	Company	Price last Friday	Ch'ge on week	Gross Div pence	Yld %	P/E
—	Mid Kent Wtr	£53½	..			
803,000	Milford Docks	105	+12			
2,230,000	Nigerian Elec	215	..			
—	Sunderlnd Wtr	£33½	-2			

• Ex dividend. a Ex all. b Forecast div[illegible] price. e Interim payment passed. f Pri[illegible] Dividend and yield exclude a special p[illegible] company. k Pre-merger figures. n Forec[illegible] capital distribution. r Ex rights. s Ex scr[illegible] Tax free. y Price adjusted for late significant data.

THE TIMES SHARE I[illegible]

The Times Share Indices for [illegible] date June 2, 1964 original base d[illegible] 1959).—

	Index No.	Div. Yield
	Latest	%
The Times Industrial Share Index	225.84	6.23
Largest Coys.	228.56	6.01
Smaller Coys.	213.63	6.95
Capital Goods	273.82	6.50
Consumer Goods	231.51	6.67
Store Shares	194.63	6.28
Largest financial shares	228.38	6.09
Largest financial and industrial shares	226.38	6.03
Commodity shares	238.32	4.97
Gold Mining shares	351.21	8.66
Industrial debenture stocks	94.24	6.35*
Industrial preference stocks	56.65	12.31*
3½% War Loan	31⅛	11.34*

A record of The Times Indus[illegible] Indices is given below:—

	High	
All-time	232.06 (14.09.78)	60.1[illegible]
1978	232.06 (14.09.78)	184.8[illegible]
1977	222.98 (14.09.77)	151.[illegible]
1976	171.85 (03.05.76)	115.[illegible]
1975	156.82 (19.11.75)	61.4[illegible]
1974	136.18 (28.02.74)	60.1[illegible]
1973	199.33 (13.01.73)	120.2[illegible]

* Flat interest yield.

هكذا من الأصل

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THE TIMES
BUSINESS NEWS

'Tactical errors' y Britain ver European ioney system

David Blake
ngton, Sept 24

ain's most important ial partners in the pro- European monetary i still believe that it is a y open question" whether g will join.

y do not intend to make modifications to the y grid" scheme which ave worked out, and insist ith or without the United om, the other members of EC are determined to go

re is a strong feeling that of Britain's problems come a number of tactical errors by the Government during urse of talks over recent s.

s generally accepted that heme emerging within the unity is, for all practical ses, a duplicate of the e". Only the name has changed to protect the bilities of the French, do not wish to arouse ries of their unsuccessful ts in previous years to in the current system, groups Germany, the x countries, and some inavian countries.

ries about whether the Kingdom could stay in ropean currency union less on the difference in on rates between it and countries than on the fun- tal problems of its ny as shown by low pro- ity growth in recent It is pointed out that m has a much higher in- rate than Germany, but managed to stay safely the snake for many years. same point is made in se of France, whose real has grown significantly ent years. There is, how- worry about whether the rate increase in the infla- ite being pushed through French Government will o a new round of wage ds in the autumn.

Europeans are not d that their scheme will nto problems as a result position from the United

a meeting of top inter- al monetary officials at eekend the United States d to have given broad agement for the scheme. i it still wants a more d technical briefing on will work.

s argued that the Ameri- cans are relieved that the Europeans have chosen to adopt the parity grid system in preference to the British-backed alternative, generally known as the currency basket.

It is argued that the British proposal would have led to more intervention using dollars as opposed to European currencies. The United States wants to cut the amount of dollar intervention carried out under the new scheme.

Britain is believed by some Europeans to have misread the Americans on this aspect of the plan—one of a long list of mistakes it is felt to have made in dealing with the scheme.

The first is thought to have been Mr Callaghan's slowness in "getting on board the train" at the Bremen meeting when the scheme was first suggested.

Even more serious is thought to be his attempt to tie in British suport for the plan with the quite separate issue of whether there ought to be some move to transfer resources from the richer parts of the Comunity to poorer countries such as Britain, whish succeeded in getting what are called "concurent studies". But it is felt that doing this was pursuing a slightly irrelevant side issue.

hTe next mistake is said to have been an over estimation by the Treasury of the importance of official opposition within Community countries to the proposal worked out by Herr Helmut Schmidt, the German Chancellor, and President Giscard d'Estaing of France.

It is freely conceded that grave doubts existed and still exist at official level about the desirability, workability and durability of the scheme.

Where the Treasury got things wrong, it is argued, is in underestimating the completeness of the political commitment to the scheme by both the French and German leaders, who were not prepared to see their plans grounded by a morass of technical detail.

A lack of recognition that the scheme was certain to be implemented is thought to have led the Treasury to take the wrong tone in negotiations.

The final mistake was the failure to foresee the probability that German views in favour of the parity grid scheme would prevail.

Mr Peter Bowring, head of the financial group C. T. Bowring.

Bowring (Insurance) in US link

By Andrew Goodrick-Clarke
Financial Editor

London's largest insurance broker, S. T. Bowring (Insurance) Holdings, is to join forces with its American counterpart, Marsh & McLennan. A special meeting of the Committee of Lloyd's on Friday agreed to plans for the two to combine all their insurance interests.

But this will be a contractual rather than a financial merger and will "not involve any transaction in the stock of either of the companies or their subsidiaries".

Bowring (Insurance) is the largest component of the financial group C. T. Bowring, headed by Mr Peter Bowring, which earned profits of £33m last year, nearly 70 per cent of which came from insurance underwriting and broking. Marsh & McLennan's post-tax earnings last year were $56.1m, most of it from insurance-related activities.

Marsh & McLennan holds minority interests in some subsidiaries of Midland Bank's insurance broking business, Bland Payne. Recently it attempted to buy another Lloyd's broker, Wigham Poland, which is controlled by Sir James Goldsmith's financial empire.

The Wigham Poland deal and an attempt by Frank B. Hall, another American broker, to take control of Leslie & Godwin, a Lloyd's broker, were blocked by a controversial Lloyd's decision not to allow any outside interests to control more than 20 per cent of the equity of a Lloyd's broker.

Subsequently, Hall was able to return with a scheme which enabled it to take a substantial stake in Leslie & Godwin, but the Bowring, Marsh & McLennan arrangement will involve no open-market financial transaction, only long-term contractual agreements between the two to pool their profits from insurance and presumably come to terms on how best they can serve various international markets.

Las night Lloyd's said: "The chairman of Lloyd's has on a number of occasions in recent months said that if the committee is to continue to exercise the self-regulatory powers essential to the continued efficiency of the market it is necessary that the control of firms operating in the Lloyd's market should rest firmly in the hands of people with long experience in that market.

"This view, strongly supported by the Lloyd's community, is not in conflict with the international nature of Lloyd's business. It does mean, however, the committee has a continuing responsibility to sustain the rules governing the operation of Lloyd's brokers and the entry of new firms.

"Lloyd's committee welcome the publicly declared intention of Bowring and March & McLennan and if the combination plans are completed these requirements will be met."

The two companies have been talking positively about the arrangement since June, though they have long-standing links notably through March & McLennan, with the big reinsurance business Guy Carpenter.

Mr Ivor Binney, chairman of C. T. Bowring (Insurance) said last night that it could be some months before final details of the combination with Marsh & McLennan could be put before shareholders.

IMF quota approved

ued from Page 1

MF's proposal for coordin- growth, involving Ameri- rowth at 3½ per cent in period 1979-80, the same as that hypothesized for n. These growth rates are r than being forecast at nt by the OECD, which cts American growth at 3 ent next year after 4 per in 1978, and British growth to 2 per cent from 2½ per

e world economy is h to have been discussed night when the finance ters of the United States, , Germany, France and in held a dinner together e Group of Five. This r also seems to have over- wed the formal session of Group of Ten, which is a tly less exclusive grouping ndustrial countries.

e formal business at to- meeting was the approval ans to have an across-the- l increase of 50 per cent e "quotas" which deter- how much a country can w from the IMF. The ase raises the total amount such quotas to around 0 million special drawing s from 39,000 million al drawing rights.

pan dropped its earlier tence that any increase in quotas should be accom- ed by a new share out

THE IMF FORECAST

	$000m Current Account (1) 78	79 1st half	Growth real gnp % change (2) 78 1st half	78 2nd half	79 1st half
All industrial countries	2	−4	3.8	4.5	3.8
Canada	−3	−3½	4.1	4.8	3.8
USA	−15½	−7½	2.7	5.1	3.4
Japan	19	10	7.2	5.6	6.0
France	0	½	3.7	3.3	3.3
Germany	5	3	2.9	3.6	3.1
Italy	3	−1½	5.6	2.9	3.4
UK	½	1	3.9	3.5	2.0
Others	−7	−6½	1.6	3.2	3.2

(1) 79 1st half figures at annual rate
(2) From previous half year at annual rate

Quota allocations determine voting rights, and the Japanese are resentful that Britain has the second biggest quota in the IMF, even though its economic importance does not justify this. Britain would have liked an even bigger quota increase, but settled for the 50 per cent figure in order to avoid opening the question of allocation of quotas.

The interim committee is also thought to have agreed in principle to hand out an extra 4,000m SDRs a year for three years, which should boost world liquidity by about 1 per cent.

The increase in special drawing rights may be accompanied by an increase in the interest rate paid on them, though no confirmation of this is available.

Report expresses concern at Secretary of State's power to appoint

Hearings proposed for state chiefs

By Nicholas Hirst

An all-party parliamentary report is expected to recommend this week that the appointment of the chairmen of the boards of nationalized industries should be scrutinized by a select committee of the House of Commons.

Such a move would bring about an important dilution of the powers of Government ministers to make appointments, and would involve American-style hearings similar to the investigation of prospective ambassadors by the United States Congress.

The suggestion will be made in the ninth report of the selett committee of nationalized industries which looked into a pre-legislative hearing of a Bill to reorganize the electricity industry.

The Bill was withdrawn because of Liberal opposition and was subsequently published as an intention to legislate by Mr Anthony Wedgwood Benn, Secretary of State for Energy.

Its proposals that there should be a unified electricity authority, bringing together the Electricity Council and the Central Electricity Generating Board—with subsidiary area boards which would retain a good measure of autonomy, were generally welcomed.

The industry, however, was concerned that the Secretary of State wished to retain authority to appoint area board members. This was seen as likely to create divided loyalties and interfere with the authority's structure.

The Nationalized Industries Select Committee took the initiative of holding pre-legislative hearings on the Bill. It was during discussions of the minister's authority to appoint board members that the suggestion of scrutiny of prospective board members arose.

Mr Benn explained that a disruptive relationship had grown up between ministers and nationalized industries' boards because of the very limited powers of ministers to interfere in the boards' affairs.

Successive ministers hid indulged in all sorts of backstairs arm-twisting which he deplored, Mr Benn said. He wanted to keep relations between Parliament and the industries as open as possible.

"I would be very happy to see nationalized industry appointments coming before a select committee because I have no desirt to appoint people," he said. "What I am keen on is the key decisions and appointments be kept in the public domain."

The point was then taken up by Mr Mike Thomas, a Newcastle Labour MP, who asked whether Mr Benn could say which legislation would need to be amended to allow appointments of chairmen to be subject to a committee.

"I for my part would be perfectly happy if it was put before the full committee on nationalized industries to have tie opportunity of discussing, with a potential candidate for appointment, his suitability in the same way as the United States Congress has to confirm ambassadors' and other appointments," Mr Benn replied.

He did not know whether Cabinet would agree, however, and he was not saying he would advocate it. But it is believed that the committee will recommend such a procedure for the appointment of all nationalizd industry chairmen.

It is also clear from the minutes of the hearings that the committee is broadly in favour of a reorganization of the electricity industry on the lines proposed in he Bill. However it also shows opinion is greatly against allowing the Secretary of State to retain the power of appointing the area boards, which would cease to be statutory authorities.

Nine out of twelvt of the statutory area bodies gave evidence to the committee that they did not wish the minister to retain this power.

Toolmakers await call on pay offer

By Our Industrial Staff

Leaders of the 33 toolmakers on unofficial strike at British Leyland's SU Fuel Systems, Birmingham, may meet a group of southern counties-based businessmen in Luton tonight in an attempt to end the stoppage.

Mr George Regan, the toolmakers' leader, said yesterday that he had received a telephone call on Thursday evening from a man claiming to represent the group.

A tentative arrangement had been made to meet today, but the caller, who did not identify himself, said that he would call back within 48 hours to confirm the meeting. He had not done so by yesterday.

Although the caller did not disclose his identity during the two-minute call, Mr Regan is convinced it was not a hoax.

The assumption must be that the unidentified caller was speaking on behalf of the consortium of about a dozen businessmen which less than two weeks ago offered to pay the £7 a week demanded by the strikers.

The SU men are demanding parity with toolroom men at the Rover plant, Solihull. The company has told them they cannot be made a special case.

Leyland described the original offer by the consortium as "totally impractical", but if the Luton meeting takes place it seems that the group of businessmen may try to find a way of paying the money without involving Leyland.

Giro Bank workers to boycott celebrations

y Christopher Thomas
Labour Reporter

Union officials representing 4,000 workers at the National Giro Bank Centre, Bottle, Merseyside, boycott celebrations being hild tomorrow in London to mark Giro Bank's tenth anniversary.

The National Giro Bank Council of Post Office Unions is protesting at what it regards as a drift of emphasis away from the Bootle centre to the small London office, which employs 75 people. It says all anniversary celebrations should be held in Bootle.

The council comprises the five main unions representing Post Office employees. A joint letter to Sir William Barlow, the Post Office chairman, said senior officers of all the unions would be advised not to attend an anniversary receptionbting held tomorrow at the Painters' Hall, City of London.

Pointing out that National Giro Bank was a major Merseyside industry, the letter continued: "It is significant that the decision to hold the reception in Lonon was not the result of combined consultation, and that following our criticism of the arrangements it was merely confirmed by arbitrary decision of tht Giro Bank's directors.

"We recognize tht need to foster goodwill with our major customers, but the importance of the tenth anniversary of National Giro is that it marks a major achievement by its staff (95 per cent of whom are employed at Bootle) and the success of the bold political decision to choose Merseyside as its location.

"National Giro was, after all, established in Bootle to bring employment and commercial activity to Merseyside. Unless that policy has been officially revtrsed, the growing emphasis on Giro Bank's London-based activities is not justified.

"Such a change in policy would be vigorously opposed by use because it is not in the interests of our membership, or of Merseyside."

The unions regard their stand as an important gesture at a time when giro is growing fast and there is talk of the possibility of establishing a second Giro Bank centre.

They said yesterday that the drift of tmphasis from Bootle to London meant that management was out of touch with its.

Four out of five Giro Bank directors worked n London, including Mr Samuel Wainwright, the managing director, they said.

Giro Bank has achieved outstanding growth since Sir Harold Wilson opened the national centre in Bootl n October, 1968. Amoig its customers are big local authorities and most major retaal chains, as well as 500,000 personal account holders.

Giro Bank contributed £50m last year to the operation of post office countrrs, and its own profits rose steadily, reaching nearly £3m in 1977-78.

The unions are making it clear that if Giro Bank is extended, this should be in Merseyside.

CBI attacks unions over pay claims

Sir John Methven, director general of the Confederation of British Industry, yesterday hit out at unions opposing the Government's 5 per cent pay guideline.

"The unions cannot have it both ways", he said. "They would like to support the Government because it is a Labour Government, but cannot and will not bring their members to do so on this vital issue."

He said the high levels of pay claims indicated that many employers would have the greatest difficulty in settling near 5 per cent without confrontation.

Sir John said the unions were virtually seeking rises twice over—"substantial pay increases and a cut in working hours."

It was about time they recognized that shorter hours would mean fewer jobs, because our industrial costs will go up and we will once again price ourselves out of world markets.

"We know people's wages have to rise to meet rising costs, but unless the rise is in real terms the exercise is self-defeating.

"If the strong unions hold us up to ransom at the cost of the weaker and the non-unionized this winter it will be impossible to hold inflation down."

The unions were opposing increased productivity which led to more wealth and therefore new investment and new jobs.

Clothing union warning on job losses

By Paul Routledge
Labour Editor

Clothing industry union leaders said yesterday that employers would have to introduce "more realistic and competitive" wages to retain labour when the economy picked up.

But while insisting there was genuine cause for optimism about the future of the United Kingdom clothing industry, the National Union of Tailors and Garment Workers admitted: "It would be a classic example of wishful thinking if we were to believe that employment in the industry has reached the end of its contraction."

These are the findings of an NUTGW study, Employment in Clothing—a Struggle for Survival, published after the union's executive board asked for an investigation into factory closures and redundancies. Since 1951 employment in the clothing industry his fallen from 552,000 to 307,000.

Low cost imports, chiefly from South-east Asia, were partly to blame, but the union also criticizes the industry for its inability to respond to improvements in the economy, as in the early seventies. "Clothing workers, once made redundant, show a marked hesitancy about returning to the industry."

Changes in fashion away from the traditional suit towards casual wear, worn at work as well as for leisure, had had a profound effect on the men's outwear sector—"an impact that at times still does not appear to have been fully understood by the employers."

After several years of international negotiations, 98 per cent of all low-cost textile and clothing imports into the United Kingdom were now covered by import restraint measures, the union said.

The Government's efforts through the EEC had given the industry a period of relative stability in which to reestablish its position in home markets.

The study argues that with import penetration levelling off at 25 per cent of home sales, it is possible to meet the export target laid down under the Government's industrial strategy for a 150 per cent increase in the five years to 1980, culminating in annual sales abroad of £1,000m.

Improvements in performance and productivity should soon follow investment made under the Government's scheme of assistance, although modernization and reequipping could mean still fewer jobs. But without modernization and reequipment the threat to jobs would be even greater.

Looking to the future, the union concludes: "The Government has clearly demonstrated that the will exists to make the industry a success. But government support is only one pillar of industrial success. Manufacturers must play a full part.

"An efficient, well-trained and stable labour force is one of the industry's greatest assets. However, the industry will have to recognize that to retain and recruit labour in a period of economic upturn will require a more realistic and competitive wages and conditions structure."

Beyond that, manufacturers must clearly commit themselves to manufacture rather than retail the products of other countries, and retailers must concentrate on selling home-manufactured garments.

Builders facing 'grave shortage of manpower'

By Our Industrial Staff

Britain's building industry is facing a grave manpower shortage, with employers all over the country finding it impossible to recruit skilled labour, according to one of the industry's leading figures.

Mr Henry Stradling, president of the Federation of Master Builders, told Yorkshire builders on Saturday that such good men as there were had to be used on production to help builders meet even their present commitments.

The result was that there was little time left for training young workers.

"It is extremely difficult, therefore, to provide for the required number of apprentices needed to provide the draughtsmen of the future", he said. "In short, this can only result in the manpower problem becoming even more severe."

The construction unions, while recognizing the apprentice problem, still seemed preoccupied with talk about alleged unemployment in the industry while ignoring the factual shortage of good men, said Mr Stradling.

Danish ham may cause heartburn at Gatt talks

Mr Robert Strauss, the American special trade representative and sharpest political operator in President Carter's Cabinet, faces a major challenge to prevent the outbreak of a transatlantic ham and cheese war.

On January 3 American congressional authority to waive countervailing tariffs on numerous imports will expire. It is probable that United States tariffs will come into force on Danish canned ham, Danish butter biscuits and EEC dairy products. The maximum level of these tariffs would be about $50m (about £25.5m) a year with a more probable level of less than half this amount.

Further, there is a chance that the tariffs would be in force for only a short time, perhaps only a few weeks.

Despite the relatively minor importance of these tariffs in world trade there is every indication that the Europeans are determined to make them into a major issue, which could gravely damage the General Agreement on Tariffs and Trade multilateral negotiations.

Mr Edmund Dell, the Secretary of State for Trade, suggested last week that the possibility of American tariffs being imposed on EEC products (really only ham and cheese) was a "totally unnecessary impediment to progress" in the Gatt negotiations and represented "a weight hanging over the whole negotiations".

This is only the case because Mr Dell and his EEC colleagues have decided to attach so much significance to the matter. Indeed this reaction is raising some suspicions in Washington that the Europeans are really now looking for any excuse to frustrate and delay the Gatt negotiations. At the Bonn summit it was decided that these negotiations should be settled by December 15.

Mr Strauss discovered in a meeting with key Congressmen last week that there was little chance of Congress accepting his request to continue waiving United States duties for a further six months. Congressmen, bogged down with energy and tax legislation and facing tough election campaigns, have more than enough on their plates to worry greatly about Danish canned hams.

If the Europeans were keen to settle the Gatt talks, they could simply ignore this issue and rely on Mr Strauss to convince the new session of Congress to deal with this matter swiftly, as it probably will.

By making a song and dance about it and saying a trade war may erupt because of tqriffs on ham and cheese, the Europeans could ensure that the Gatt negotiations are not concluded before next spring.

Should this happen, Mr Strauss will have a much tougher task in selling the full Gatt packet of measures to Congress.

The earlier he can present these os the better are the chances of them being approved quickly next year. Mr Strauss sees the dangers and is pleading for EEC common sense.

What worries Americanns is that the Europeans should place the full Gatt talks at risk because of ham and cheese.

As an unclissified United States Department cable from Geneva notes, there is a real chance that the Gatt neogitiations could end with "a more trade liberalization programme extending over the 1980".

Frank Vogl

Shell at odds with forecast on petrochemicals

New York, Sept 24.—Royal Dutch Shell disagrees with the forecast about the probable impact of new petrochemical complexes planned in the Middle East and other oil-exporting countries, Petroleum Intelligence Weekly reports in its issue out tomorrow.

This is because it expects petrochemical development in those nations to turn out to be "rather modest".

The main deterrent is a lack of the necessary infrastructure and technical background, particularly the shortage of highly trained supervisory engineers, plant operators and skilled tradesman, Mr E. G. G. Warner, Royal Durch Shell's managing director, told a recent technological club meeting in Holland.

Shell itself has reached an advanced stage of a feasibility study for a major petrochemical complex in Saudi Arabia.

In Shell's view, the geographical distribution of world petrochemical production 30 years hence is not likely to differ much from what it is now.—AP-Dow Jones.

Developing countries make strong demand for more aid contributions

1 Our U S Economics espondent

ington, Sept 24

nance ministers from loping country made de- ds here on the eve of the al meetings of the World and the International etary Fund for sharp in- ses in aid contributions i industrial countries.

eir bitter cricism of the strial countries has not tempered by the vote of oval on Friday night in the ed States Senate for a 0m (about £4,694m) ign Aid Bill.

e Senate B illincludes a 2m appropriation for the itteveen" facility, which s to strengthen the lendable urces of the International etary Fund. The Senate approved American contri- ons to international finan- institutions, including the ld Bank, totalling $2,650m.

he developing countries, ch are represented by fin- e ministers i nthe so-called "Group of 24", criticized industrial countries this weekend for increasing protectionist trade policies, for failing to raise sharply aid flows in real terms and for failing to take actions which strengthen the borrowing possibilities for developing countries in international capital markets.

The ministers of the "Group of 24" stressed in a communiqué issued here tha tthe non-oil producing developing countries would face a $32,000m deficit this year and that there was a clear trend of deteriorating terms of trade for the developing countries.

t is clear that ministers from developing countries will be particularly critical this week of the three largest industrial countries—the United States, West Germany and Japan.

They take the view, with some justification, that these countries are now caring less and less about the welfare of the developing nations.

The senate approved a United States contribution to the International Development Association of 1,300m. This is $200m below the Carter Administration request, and the sum is likely to be cut further in a conference of congressional leaders in a few days.

The senate cut 900m off the Administration's $3,500 request for contributions to all international financial institutions.

The "Group of 24" finance ministers called for swift action by all nations to increase sharply the capital of the World Bank and the resources of the International Development Association.

While these matters are of crucial importance to these countries, the ministers from most industrial countries seem little concerned with the matter.

Herr Hans Matthoefer, the West German Finance Minister, told a press conference that while Germany supported the World Bank, he had not yet really thought about the question of sharply raising the bank's capital.

German visit brings hope of investments

By Patricia Tisdall

British industry is not as poorly equipped or as strike-prone as a group of German industrialists had been led to believe from reports received in Europe.

The group of 70 businessmen, representing medium-sized German companies, went away from a five-day fact-finding mission at the weekend with more favourable attitudes to investment in Britain than they held when they arrived.

As yet no firm contracts have been negotiated as a resuls of the mission. But two companies, who did not want to be name but who are involved in textile-related products and con struction, plan to start talks immediately to establish manufacturing centres in the North-west.

According to Mr Manfred A. Ten Brink, a member of the mission representing the Deutsch Bank, lower productivity in rBitain—estimated at about 80 per cent on an equivalent German basis was more than counterbalanced by lower wage and other employment costs.

Growth of bank lending slows in August quarter

Manufacturing, the personal sector and agriculture took the greatest share of new bank lending in the three months to mid-August, according to the latest Bank of England analysis of bank advances.

In overall terms, including the increase in commercial bills held by the Bank of England Issue Department, lending to United Kingdom residents grew rather less fast in the latest quarter than in the three months to mid-May, at £1,370m (seasonally adjusted) compared with £1,560m.

The increases in sterling lending to manufacturing industry (plus £589m) and the personal sector (plus £401m) were both of the order of 8 per cent. Lending to agriculture rose by £205m or 13 per cent.

By contrast, lending to the service sectors rose by only 2 per cent, while lending to the financial sector fell by almost 4½ per cent.

Jobless theory questioned

The disincentive to seek work under the present social security arrangements is too easily exaggerated, according to Professors A. B. Atkinson and John Flemming in the latest edition of the Midland Bank Review. But the authors suggest that the present system could be altered to improve the situation of the longer-term unemployed.

They argue that the most commonly cited example s of the difference in family income between employed and unemployed is unrepresentative of the types of people who are actually out of work. They also suggest that any financial advantage in being out of work has been diminishing over recent year—not increasing, as popularly believed.

But they do suggest that some people, once unemployed may, under the present rules, have an incentive to delay seeking a new job.

Management, page 20

Europe aims at manifesto for management

By Our Management Correspondent

European management organizations have agreed to try to draw up a common manifesto in time for the European Assembly due to be held next June.

At a meeting in London last week chaired by Sir Derek Ezra, chairman of the British Institute of Management, the European bodies supported a proposal for a manifesto similar to that published by the BIM earlier this year.

The BIM manifesto set out the key economic, industrial and social policies which managers would like to see implemented in the United Kingdom to provide a more suitable environment for them to carry out their day-to-day work in industry.

The proposed European manifesto will attempt to define similar policies on a Europe-wide basis which will describe specific steps which the European Economic Community might adopt to help management achieve improved performance and prosperity.

On other pages

MANAGEMENT

Refurbishing an image at EMI

Tomorrow EMI, the music and electronics group, will be starting out on the long and difficult road to convince the medical world that its new range of brain and body scanners is the best available. It will be EMI's most forceful attempt since it pioneered this technique for medcal diagnosis more than five years ago to recapture the ground it has been steadily losing to the competition that has been attracted to this growth sector of the medical electronics market like bees round a honeypot.

Together with recent announcements about the strengthening of its worldwide music interests and the big investment plans it has in mind in the United States film business, this is all beginning to look like a carefully-orchestrated campaign to rebuild the image of a group where earlier management efforts to reorientate the thrust of the business have looked to be going astray, or at the very least are having a savage effect on short-term profitability which is proving difficult to justify despite all the longer term hopes.

As such it is all rather fortuitously timed a week before EMI's full-year figures are announced which, Sir John Read, the chairman, has already warned, are going to look pretty grisly. Hefty research and development spending on scanners, write-offs on the Australian television business and a setback on the records side have unluckily for EMI all come together. The only question is how bad the results will be.

If the first half results were anything to go by, I anticipate that Sir John will want to throw in everything but the kitchen sink with these figures to get all the bad news out of the way in one fell swoop.

Stockmarket analysts have been steadily downgrading their estimates from £40m a few months ago to around £32-£33m though perhaps significantly the company's own brokers, Fielding Newson-Smith, are pitching in with a figure of £30m or less.

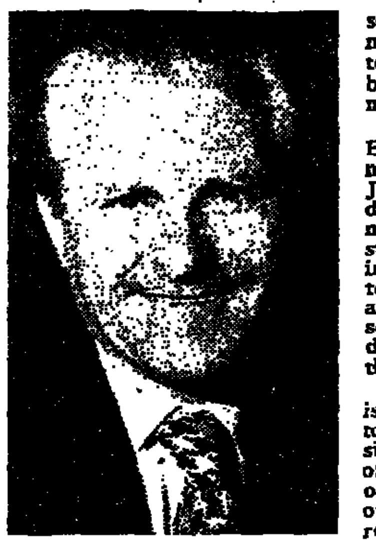
Whatever the outturn it will be a sharp setback on the £65m profits the year before and marks a dramatic reversal the fortunes of a group which three years ago appeared to be on top of the world.

New management under Sir John had shown itself capable of biting the bullet in troublesome areas like the Voxson operation in Italy and the United States Merco Corporation. Deep surgery was carried out at Capitol, the United States record business in the early 1970s while in other troublespots like the Elstree studios management came up with novel solutions to seemingly intractable problems.

On top of this EMI had just made an important breakthrough in scanner technology which promised a quantum leap in profits for the late 1970s through the 1980s. Not surprisingly the shares gained a glamour rating in 1975.

The fall from grace has if anything been more precipitous as it has emerged that the scanner is not proving quite the winner that some (perhaps over-optimistic) outsiders had expected it to be.

It started to look as though



Sir John Read: wants more than the music leg to stand on.

EMI was going to be like so many other British groups who, having done the donkey work in developing a new product, allowed others to come through on its coat tails and cream off the financial benefits.

Part of EMI's problems in scanners stemmed from the fact that much of the pioneering research was in computer software which was difficult to protect with patents, EMI has found it a legal nightmare to insulate its scanner against the likes of General Electric, Philips, Ohio Nuclear and a host of other competitors.

But the real hammer blow came when the United States health authorities cut back on scanners, and since this was more than two-thirds of the total market EMI found the bottom had dropped out of the market overnight.

Despite these shock waves EMI has stuck to its long term management philosophy. In Sir John's words he still wants to develop a company that has more than the music leg to stand on which means developing the medical electronics, television and leisure sides to a position where the inevitable setback in any one of these divisions can be cushioned by the rest of the group.

This management philosophy is firmly rooted in EMI's history. After the war EMI consisted of a loosely-knit group of subsidiary companies which operated independently of each other with precious little regard to profits.

Sir Joseph Lockwood came in as chief executive in 1954 at the height of the group's difficulties with a short brief to instil an awareness of profits.

Part of this involved selling off its domestic appliance side and the radio and television interests as well as moving away from the defence electronics business which made it highly vulnerable to government policies.

The next stage in the development of EMI came in the late 1960s when the group used its cash flow from the profits of the Beatles to diversify in the entertainments business through the purchase of the Grade Organization (which brought in Lord Delfont), the ABPC cinema interests as well as the Blackpool Tower Company (which is incidentally causing the group no end of headaches just now).

But it had also become clear that EMI had become too big a group to remain under the patriarchal leadership of Sir Joseph and it was in 1969 that John Read became chief executive. He had joined EMI from Ford three years earlier and it was his prime responsibility to produce a more cohesive structure to the group.

Under Read EMI went through another management metamorphosis as the group was progressively decentralized to return to the subsidiaries some of the power they had lost under Sir Joseph who had demanded that most decisions should be referred to him personally.

Today EMI's management philosophy is very much that individual divisional heads whether they are Bhaskar Menon on the records side or Lord Delfont on films should get on with the things they know best with the main constraint on their freedom of action a financial one.

At present most of the stress is therefore laid on financial controls which has been something of a breakthrough in the record and film business where money has tended to play second fiddle to the artistic demands of the medium.

Sir John Read has never pretended that the rebalancing of a major international group to reduce its dependence on the consumer oriented record business would be any easy task. Three years ago he probably did not expect it would be so difficult either.

Ronald Pullen

How Europe's social security cake is divided up

Although the broad drift of legislation in Europe is towards the harmonization of social security legislation there will be for many years to come substantial differences in the practice of differing countries which any personnel or finance director of a multinational company will have to master in respect of the various countries in which his company operates.

At the moment the only sure thing this hapless individual can be certain of is that most countries in Western Europe spend about 20 per cent of their gross domestic product on social security benefits although the range of benefits and methods of assessing liabilities vary from country to country.

The job of anyone who has had to evaluate national social security systems and implement a corporate system of employee benefits to suit each country has been made easier in recent years by the appearance of what has become the standard reference book on the subject, Employee Benefits in Europe. The revised, third edition of this review of employee benefit practice in 16 countries is published today.

The book has also been substantially extended by concentrating in greater detail on the financial implications of state benefits (after all, deficits are forecast in Social Security budgets for West Germany and Italy in 1980). And author David Callund is at pains to point out that the colossal liabilities of state schemes are ultimately always subject to political whim—usually to the cost of the taxpayer who has to pay for the politicians' promises.

Another improvement in this edition is in the country-by-country analysis where more information has been given, and given on a more consistent basis. (This is important for anyone trying to assess the overall merits and cost of different systems.)

It is perhaps regrettable that more tables giving international comparisons are not available, although as the author points out the serious student is likely only to be concerned with benefits in one or two countries and will need greater detail than can be supplied in a table.

The 16 countries covered in the book are Austria, Belgium, Denmark, Finland, France, Federal Republic of Germany, Ireland, Italy, Luxembourg, The Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the United Kingdom.

After a general historical introduction, benefits in each country are covered under the following headings: summary of contributions, general conditions, pensions, disability benefits, survivors' benefits, industrial injuries, health insurance, unemployment benefits and others. Then supplementary private plans including pensions, death cover and other benefits are analysed. All the figures are up to date to April 30, 1978.

The main changes which have occurred since the second edition was published in November, 1976, have been the big improvement—on a trans-frontier basis—in the lot of the working mother.

Maternity allowances increased family benefits and at the extreme, paternity leave (in Sweden) have been the focal points of improvement in state benefits throughout Europe. Without descrying the efforts of the Labour Government to improve family care and finance, it can now be seen that the administration's achievement is not something exceptional but part and parcel of an international thrust to give more care and attention to the family.

Employee Benefits in Europe 1978. By David Callund. Published by Callund & Co, and Employment Conditions Abroad. £35.

Margaret Stone

STATE RETIREMENT PENSIONS

Country	Benefits under the basic system	Benefits under a supplementary system	Indication of benefit level	Post-retirement increases in pension
Austria	Earnings-related	Nil	High	Automatic each year in line with increases in national average earnings
Belgium	Earnings-related	Nil	Good	Automatic each quarter following changes in price and wage index, with additional flat-rate increases.
Denmark	Flat-rate	Contribution-related	Modest	Automatic each quarter following changes in price index.
Finland	Flat-rate	Earnings-related	Good	Automatic following 3% increase in price index for basic system, and both the price and wage indices for supplementary system
France	Earnings-related up to modest ceiling	Contribution-related industry-wide	Good	Basic pensions reviewed each July 1 and January 1 in relation to wage index. Supplementary pensions revalued each year
Germany	Earnings-related	Nil	Good	Automatic each year in line with national average earnings
Ireland	Flat-rate	Nil	Low	Usually twice yearly
Italy	Earnings-related	Part-earnings contribution-related	High	Automatic each year
Luxembourg	Flat-rate	Earnings-related	High	Automatic following 2.5% rise in price index with additional wage-related increases
Netherlands	Flat-rate	Nil	Modest	Automatic following 3% rise in wage index
Norway	Flat-rate	Earnings-related	Good	Automatic in line with wage and price indices
Portugal	Earnings-related	Nil	High	Regular, following legislation
Spain	Earnings-related	Nil	Good	Automatic following changes in wage and price indices
Sweden	Flat-rate	Earnings-related	Good	Following increases in price index
Switzerland	Flat-rate	Earnings-related	Modest	Automatic following increases in price index. From 1979, increased following changes in price and wage indices
United Kingdom	Flat-rate	Earnings-related	Low	From April 1979 base part increased in line with higher of earnings/price index. Second tier in line with price index

Personnel advisers in the front line

One of the fastest growing areas of management at the moment is industrial relations, training and other subjects related to personnel. So rapid is the rate of change that even the best "company doctors" in the personnel field are themselves seeking advice about how to cope with new problems outside the conventional boundaries of a personnel department.

Charles Margerison, professor of management development at Cranfield School of Management and chairman of the Management and Organization Development Research Centre, attempts to provide some of the answers to how the personnel specialist can handle his newly expanded role in a new book* published today.

A prime requirement is for the specialist to assess his own role. It may be necessary for him to establish himself as a coequal adviser rather than as a subordinate administrator in order to tackle his wider tasks effectively.

Yet, according to Margerison "Personnel and organization development advisers have a vital role to play in the front line of industrial, commercial and public organizational life. Our job is to facilitate improved working relationships between people in doing the work which brings them together".

Types of questions which the new style personnel advisers are asked to solve include "What can we do to make sure that staff develop the skills to participate in decision making?" or "How can I motivate my staff more effectively?"

In order to tackle such questions—to which there are no simple and easy answers—the personnel adviser may need to probe at all levels within the client organization. This in turn will take him right up against what Margerison describes as the "political life" of the organization.

One of the ways the adviser may be able to help is by influencing the "role" or "directional" pressures associated with the problem. Margerison advises starting with the pressures under which the client himself is working. "Only by helping the client think his way through these directional pressures", he says, "will he learn what to do".

Influencing Organizational Change by Charles Margerison. Published by the Institute of Personnel Management, Central House, Upper Woburn Place, London WC1H 0HX, and costs £5.25.

Patricia Tisdall

LETTERS TO THE EDITOR

Extending industrial legal aid

From Mr A. C. Taylor

Sir, It was good to read in the article by your Industrial Editor on September 20, that the Lord Chancellor is considering the exercise of his powers to give jurisdiction to the industrial tribunals to hear claims from employees under the ordinary common law for breaches of their contracts of employment. The split jurisdiction of the court and the industrial tribunal on contracts of employment has been an unsatisfactory feature of employment law for some time.

Such a change will, however, focus attention once more on the unsatisfactory position whereby the employee cannot obtain legal aid for representation at the industrial tribunal.

There is nothing more important to a man than his job and it is quite unjust that he should not have the benefit of skilled legal advice in proceedings before the industrial tribunal when his job is in question.

Unless a change is made as to the availability of legal aid, the effect of the exercise of the powers by the Lord Chancellor, which your Industrial Editor mentions, will be to transfer from the courts (where legal aid is available) to the industrial tribunals (where it the exercise of further rights which the employ[ee] have against his employ[er] will, therefore, be disadva[ntaged] by not having legal aid exercise of those rights.

The remedy clearly extending legal aid to [indust]rial tribunals and I tru[st] this will be borne in m[ind by] the Lord Chancellor if he the change which is bei[ng sug]gested.

Yours faithfully,
A. C. TAYLOR,
Samuel Phillips & Co,
86 Pilgrim Street,
Newcastle upon Tyne N[E1]
September 21.

Striking a balance in competition law

From Mr R. H. Burnett-Hall

Sir, Re the letter from Mr G. M. Woods on EEC Competition Law (September 18), it will take more than the Council of Ministers to provide the greater certainty he looks for, since the complexities of which he complains derive from the nature of Article 85 of the Treaty of Rome, and the Council being a creature of the Treaty cannot by itself amend it. It could of course revoke Regulation 17 of 1962 and Regulation 19/65, so as to deprive the Commission of many of the powers which it now enjoys in giving effect to the competition provisions of the Rome Treaty. However, this would in no way alter the law itself which would become even more uncertain. By contrast with the United States, we would not for many years even have a substantial body of case-law to refer to in considering the legitimacy of the numerous facets of business affairs where competition law may bite.

For better or worse competition law is here to stay; and any system that is to achieve its object without being so draconian as to stifle all initiative must entail a balance between complexity and uncertainty. The United Kingdom system, which aims at certainty, is complex, intelligible to few but lawyers (itself a major defect) and is frequently uncertain into the bargain. The EEC system does not pretend to certainty but is based on a few fundamental principles that in themselves are perfectly simple to comprehend.

One of the basic objectives of the Rome Treaty is a common market involving trade across national frontiers without obstacles. The definition of what may be an obstacle and when it may be legitimated is defined in Article 85 in terms of its economic impact. To analyse what the economic impact of any particular business practice may be requires a certain amount of experience, and it undoubtedly helps to be conversant with the lines of reasoning followed by the Commission and the European Court of Justice in competition cases considered by them. However, this approach is in no way beyond the ability of most lawyers and their clients, and concentration on the economic impact ensures that the competition law bites where anti-competitive practices have significant effect.

Further, if in any case important provisions are of uncertain validity, notification does not require major additional effort (at least in the absence of something to hide), and where the validity of less important provisions is in doubt there can always be fall-back clauses as a safety net. To date, penalties have been imposed only on those who have, it would seem, wilfully ignored EEC competition law, and in my view a business attempting reasonably to keep within its bounds need not be unduly worried about fines should it one day be held to have gone the wrong side of the line.

Finally, it should not be forgotten that for every businessman who is prejudiced by competition law in any particular case, there is very probably another businessman, let alone the general public, who is benefited by its application in that same case; the laws that a man may complain of one day he may well wish to pray in aid the next.

Yours faithfully,
R. H. BURNETT-HALL,
Inveresk House,
1 Aldwych,
London WC2R 0HF.
September 19.

Restoring health of small firm[s]

From Sir David Clutter[buck]

Sir, Is it not remarka[ble] keen to help small fi[rms] political parties appear a pre-election period erto, alas, these goo[d inten]tions have been forgott[en] the election is out of t[he way]. But, in case the partie[s] mean it this time, the Graduates Association warded to Government ments a comprehensiv[e] ("Small Firms—A Fa[] of the Whip") on the problems facing smal[l] with proposals for them. It is intended as reference for use by t[he even]tual winners of the el[ection].

When the Bolton C[ommittee] reported in 1971 the high hopes that actio[n] follow. They were not The BGA study shows made it certain that t[he] of decline in the sm[all] sector would contin[ue]. report recommends a Government and fina[ncial in]stitutions, including funds, which could without much admi[nistrative] difficulty if the w[ill is] there, and would certa[inly go a] long way towards rest[oring the] health of the small f[irm sec]tor.

Observing that 83,0[00 of the] 85,000 British c[ompanies] employ less than 20[0] and that this sector is [acknow]ledged as the only real prospects of red[ucing un]employment, the BG[A hopes] that its report, the p[roduct of] two years work, wil[l receive] due attention. It [may be] obtained from this offi[ce].

Yours faithfully,
DAVID CLUTTERBU[CK]
Administration Direct[or]
The Business Graduat[es]
Association Limited,
87, Jermyn Street, Lon[don]
September 19.

هكذا من الأصل

BY THE FINANCIAL EDITOR

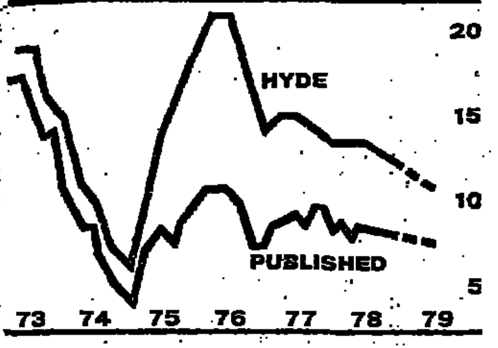
A reassessment of the p/e ratio

shionable as it is every few years to ite-off the price earnings ratio as an 'estment tool, like Mark Twain reports of death have been greatly exaggerated. t the effects of inflation, the shortcomings accounting and the increasing difficulties the past few years in arriving at what ually constitutes a company's earnings ve downgraded the usefulness of the p/e io.

No one puts as much store by this sweep- yardstick for determining whether a ire (or a sector) is cheap or expensive ative to the market as they did during days of the earnings cult in the 1960s d early 1970s. But it remains part of the ple diet of investment analysis for all its iciencies. And to the extent that earnings uations affect the capital market, p/e ios help to determine the efficiency of it market as well.

The question now is whether the onset deferred tax, which getting on for half major companies in the United Kingdom ve now adopted, and the confusion sur- nding real earnings under the Hyde idelines makes a nonsense of the com- rability of earnings which has always en the only real virtue of the p/e ratio.

E RATIOS



It is for example tempting now to hark ck to the last bull market when equities re selling on 18-20 times earnings, or even 1973 when inflation was last in single ures and p/e ratios were on average und 15, to argue that an equity market ling at no more than half this level is iously undervalued. Even if allowance is de for inflation, as brokers Phillips & ew try to do by using Hyde-adjusted earn- s, p/e ratios only climb to around 11 ile if all deferred tax is excluded p/e ios drop to around 6½.

t may of course be simply that p/e ratios such depressed levels are just relaying to estors the fact that the period of unin- rupted earnings growth—which could tify the IBM's selling on 30-plus times nings—are over and that with inflation d increasing uncertainty about the future estors are reducing the payback period y require. Or again it may be that with Government stepping in between a com- y and the individual investor to curb dividend reward investors are reacting looking for more capital recompense in ver p/e ratios.

Whatever the relevance of these wider ues, the fact is that with the present bulous definition of earnings, which with changing treatment of such major items depreciation, valuation of stocks or even atment of research and development or nsion fund contributions in recent years, is doubtful if the comparability of earn- gs over time (let alone from one country another) makes any sense at all.

It was of course no accident that p/e tios first became entrenched in investment inking in the United States during the rly 1930s when better disclosure laws ade it so much simpler to determine asset lues which up till then had together with ividend yields been used as the benchmark r share valuations. And its use in the nited States subsequently was helped by e fact that accounting policies (until the vitch from FIFO to LIFO accounting there the early 1970s) were more or less andardized, certainly more so than in rance for instance where persistent high flation combined with FIFO accounting as reduced earnings calculations to a mean- gless level. While in Japan, with their onservative accounting policies especially relation to depreciation, the drawbacks of /e ratios is amply underlined by the fact at when Japanese companies report on nited States accounting policies to conform to SEC requirements earnings have tended to come out upwards of two-fifths higher.

In the United Kingdom the writing first started to appear on the wall for p/e ratios with the introduction of imputation tax in 1972 which in effect made earnings in part dependent on the level of dividends and led to a proliferation of earnings per share depending on whether they were calculated net of the dividend or on the assumption of a nil payment.

Over the past year the switch from providing for corporation tax on a full 52 per cent basis over to what a company could reasonably be expected to pay (after stock appreciation relief and so on) has further confused the position, leading most analysts to continue calculating earnings on a fully-taxed basis. That is still an unsatisfactory solution as tax charges can vary widely depending on trading, but the snag with using published tax charges is that often they are little more than the subjective judgment of individual managements, which make it impossible to use them as the basis for comparison between companies.

There are only two ways out of this impasse. Either progress could be made to a satisfactory definition of earnings—perhaps along the lines often suggested in Europe of distributable income, that is earnings after depreciation and all other provisions needed to maintain a company's production—or the p/e ratio could be ignored altogether in share valuation. In which case analysts would be forced to rely simply on dividend yields or more fundamental factors like return on capital employed. What is clear is that the investment community can no longer rely on the p/e ratio and is making little effort to find something to fill the void.

Institutional cash

How important for the market?

Meanwhile the stock market bulls, some of them smelling slightly stale after the past fortnight, are at it again. Institutional cash has been accumulating steadily, they argue, and it cannot be very long now before fund managers are forced to push rather more of it into equities or gilts—or, if they are unable to decide which horse to back, both.

There seems to be no reason to doubt the premise: many institutions have probably committed considerably less money to gilts and equities than they thought likely at the end of the last quarter. More open to question, however, is the conclusion. Now it may of course turn out that fund managers will decide at some point in the next few weeks that equities and/or gilts are indeed a good buy and that markets are set to go higher. But that is not quite the same as saying that weight of money will automatically force fund managers into the market, at least not over so short a period.

It may not be entirely fair to draw on the *exceptional conditions* of 1974 as an example, but the fact remains that it was a year when the long-term funds encountered no great difficulty in keeping some 45 per cent of their net cash intake in liquid form. There is, moreover, enough variation in cash ratios, whatever concept one chooses to use, and sufficient flexibility in most fund managers' attitudes towards cash, to make it dangerous to rely over-heavily on changes in institutional cash holdings to make predictions about the likely short-term behaviour of stock markets.

Certainly, there may often be a sufficient weight of money available at any given point to ensure that an upward movement, once started, will be considerably accentuated. But cash alone is highly unlikely to be the sole force that starts the market moving upwards in the first place.

At the moment it is true that there is an appreciable income penalty for institutional investors who choose to keep their money on the street rather than commit it to long gilts—respective yields of around 9 and 12½ per cent. But that is clearly not a decisive argument per se. Many fund managers are *still weighing the odds between* a fresh bull run and a winter of festering uncertainty when stock could well be available more cheaply.

Afterthoughts on Bingham

Hugh Stephenson

In all the outpourings about the Bingham report into breaking oil sanctions against Rhodesia, one interesting aspect of the saga has received scant attention. That is the relationship between the group head office of a great international organization like Shell and its operating subsidiaries in foreign parts.

In giving evidence to Bingham, Shell expounded the company's doctrine. It is that the maximum amount of managerial authority should be delegated to local companies and that (the quotation is from a 1976 internal Shell document) "*Companies should always* endeavour to act commercially, operating within existing national laws in a socially responsible manner and avoid involvement in politics".

For a company operating in many countries, with different social and political systems and often (as in the case with oil and Rhodesia) with extremely diverse economic and foreign policies, it is by far the most rational doctrine to preach.

It is summed up in the phrase, long since become a cliche, that the company aims to be "a good corporate citizen" in each of the countries where it operates. The doctrine aims to allow for the maximum amount of business and the minimum amount of political aggravation.

Like most doctrines, however, the reality in this case is significantly different from the facade. Different multinational companies obviously follow different patterns. And some industries or businesses lend themselves to greater decentralization. In the main, however, it is the centripetal forces that dominate within international business.

A moment's thought will prove that this must be the case, for the whole purpose and being of an international company is to try to provide by coordination and the tranfer of managerial expertise of technology some extra element *not available to a purely* national company.

It is important, often, for the morale of those who work in subsidiaries, or in the interests of good relations with local governments, trades unions and other interest groups, to place the maximum stress on the degree of local autonomy allowed to foreign subsidiaries. An American company once told me (and meant it quite sincerely) that it operated in the basis of *leaving virtually every decision* to its local managements.

A little exploration revealed that, while this was the doctrine, all decisions on big new investments, all control of research and development, all financial appropriations, budgeting and the vetting of forecasts and the subsidiaries public reports were functions reserved to the parent company.

It is hard to believe that the same is and was not true of an international oil company. For the major oil companies are in most ways the prototype of the modern multinational company. The essential characteristic of the oil industry is the integration on a world scale between production of crude, refining and marketing.

As the events of 1973 showed, when during the Yom Kippur War the oil companies were able to reroute supplies to overcome the intended effects of the Arab oil embargo on specific countries, the operational control of this integrated world-wide operation is highly centralized.

It is, of course, true that marketing is the end of the chain where the maximum degree of local autonomy and initiative is wanted. And the particular problems which Bingham was investigating centred largely on marketing contracts of the South African or Mozambique subsidiaries with Rhodesian agents, which is the historical explanation of why the Rhodesian events were not reported, or were misreported, to head offices in London.

The point that matters in all this is that most of the discussion of the issues involved is in the wrong terms. It tends to be conducted between those on the one hand who consider that multinational companies are out of the control of their national governments and ought to be brought back under such control; and those who consider, on the other hand, that the activities of international companies tend universally to be benign and should therefore be supported and encouraged by governments.

The correct perception is that national governments and international companies have different aims and priorities. In general an international company, wherever its home base, will be primarily concerned to further its international commercial prospects.

Often, perhaps, even in the majority of situations, this will coincide with the national interest of its base country. Sometimes it will not. In such cases it were better that the essential conflict of interest was admitted and discussed in open terms.

Inevitably, in these circumstances, international companies in effect have their own foreign policy, based on commercial self-interest. It is as absurd to expect the subsidiary in South Africa voluntarily to break South African rules, regulations or habits as it would be to expect a South African subsidiary in Europe or elsewhere to apply the rules of apartheid in its personnel policy. It is, however, similarly simplistic to assume that the best interests of a commercial concern will always coincide with the best interests of a particular country.

Mr Heath's government, for example, was deeply offended with BP when the company declined to give preferential treatment to the United Kingdom in the question of crude oil supplies during 1973.

The company, quite rightly, took the view that its primary responsibility was to fulfill its worldwide commercial obligations, unless it was given a specific and public order to break its commercial contracts.

A similar conflict of interest will become increasingly acute over depletion policies and rates for the North Sea and over investment in downstream capacity for handling North Sea oil.

As over the years international business has taken a greater and greater share of responsibility for the economical, industrial and commercial relations between nations, it has been equally clear that a clash was coming between commercial and national interests.

If the Rhodesia affair and the Bingham report have contributed to a more mature understanding of the nature of this potential conflict, it will have performed some lasting service.

Telegrams: condition grave but not hopeless

The Post Office is making a determined attempt to strengthen its loss-making telegram service. Written off by the Government appointed Post Office Review Committee last year as "in a serious, indeed hopeless condition", inland telegrams have for many years been regarded as an expensive anachronism even within Corporation circles.

Radical changes have taken place within the past six months. A new management organization, The Telegram Services Executive, headed by Mr Tony Finucane, formerly general manager of London Telecommunication's Region's Centre Area, has been set up to bring both inland and international telegram services under one administrative umbrella.

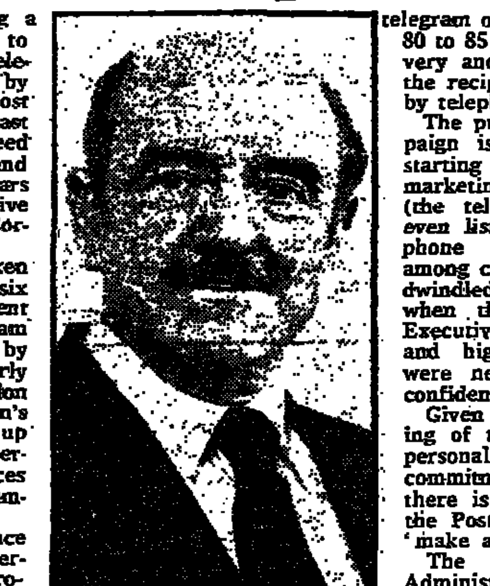
For the first time since anyone can remember, the service is being actively promoted to customers. A £100,000 national advertising campaign started last month inviting the general public to "Start sending Telegrams Stop". A variety of other, more selective campaigns, is nearing completion.

The decision to revitalize the telegram service despite the condemnation of the Review Committee was one of the first to be taken by the newly structured *Post Office board led by* Sir William Barlow, chairman. It was taken mainly on social grounds as a service to the four in 10 homes which have no telephones in the United Kingdom. At the same time it was thought that there was considerable untapped commercial potential.

The aim now is to reduce, if not eliminate, losses partly by building traffic and partly by increasing administrative efficiency.

One of the first discoveries made by Mr Finucane and his executive team when they studied the uses made of telegrams was that contrary to the conventionally held view that they were "harbingers of doom" the majority of telegrams—an estimated 70 per cent—are now sent as greetings mainly for weddings. When the costs became unacceptably high this trade simply used the slower postal service or evaporated altogether.

Equally, given a fresh marketing input, the use of telegrams for greetings could be expanded considerably. Over the next year or so advertisements will remind the public that they can send telegrams for birthdays, Valentine's Day and a host of other special occasion as well as wedding greetings.


Mr Tony Finucane: "make a go" with Telegrams.

Even less well known is the "*night letter telegram service*" which is cheaper than ordinary rate telegrams but which will enable a message received before 10.30 pm to be delivered with the first post the next day.

Mr Finucane sees this as complementing the first class post service (which typically takes a minimum of 16 hours between receipt and delivery) and of use to businessmen as well as to the general public.

Less quantifiable is the *scope for expanding the traffic* in "life and death" messages. It is estimated that less than 100,000 of the 3.2 million inland telegrams sent last year contained such summons between people.

But even here there is thought to be development potential for semi-urgent messages of the "arriving on Flight" variety. Most people, for example, do not know that they can send a telegram from a public call box—provided they have sufficient small change to cover the cost.

It is also not generally realized that provided it is received during office hours a telegram on average takes only 80 to 85 minutes for hand delivery and 40 to 45 minutes if the recipient can be contacted by telephone.

The present advertising campaign is regarded only as a starting point. Shorn of any marketing support whatsoever (the telegram service is not *even listed separately* in telephone directories) morale among customers and staff had dwindled to vanishing point when the Telegram Services Executive took over. Urgent and highly visible measures were needed just to restore confidence internally.

Given the very positive backing of the chairman who has personally pledged his full commitment, Mr Finucane says there is a new feeling within the Post Office that "we can 'make a go' with telegrams".

The task is formidable. Administratively the telegram service uneasily bridges the postal and telecommunications sides of the Post Office. Approximately 70 per cent of telegram messages are received by telephone rather than over the counter, but the majority are delivered by hand. There is also a traditional split between the inland and international telegram services.

A top priority for the Telegram Services Executive operating with the unions through a joint working party which meets for the first time today is to examine what needs to be done to get the best from both the inland and international services. A recommendation as to whether or not full operational integration is the answer is expected before the end of the year.

Neither service is at present operating at anything like full capacity. The inland telegram service has gone down from *4.2 million in 1975-76 to only* 3.2 million last year. Internationally originated telegrams which includes radio telegrams to and from ships is also declining with a drop last year from 15.0m to 13.9 million.

If this can be achieved the steadily increasing losses which for inland telegrams last year stood at £10m and for international telegrams at £22m can at least be stemmed.

Mr Finucane, however, has *opted to start straight away* with marketing. "If we wait to get the service right", he says, "we won't have a market".

Patricia Tisdall

Can French steel be slimmed down?

Brussels

France's thinly-disguised nationalization of its main steel producers last week can only be the beginning of a radical restructuring of the industry, if it is ever to regain international competitiveness.

What M Jacques Ferry, the President of the French Steel Industry Federation, described as a bold surgical operation, will probably look more like a mild anaesthetic if the industry's new managers are given their head.

For the financial collapse of the French steel industry, which finally forced the government to step in, is only a symptom of the structural mess in which the industry finds itself.

Over the past three and a half years of crisis in the European steel industry, producers in France have been operating at *roughly 60 per cent of capacity*.

The industry's productivity is one of the lowest in Europe. According to EEC figures, which are disputed by the French steelmakers' federation, it takes 11 man-hours to produce a tonne of steel in France, against 8.2 in Germany, and five in Japan.

In the south of France, at Fos near Marseilles, is another up-to-date plant with an annual productive capacity of 3.8 million tonnes. However, although technically advanced, it is probably too small to cover its fixed costs while its natural markets in northern Italy and Spain can be adequately served by indigenous production.

Now that the French government has decided to lift the crushing burden of 40,000m francs-worth of debt off the big French steel producers, the difficult task of restructuring and slimming must get under way.

It is already apparent that the often drastic cutbacks of the past year and a half have barely scratched the *surface* of the problem. Although the labour force in the French steel industry has fallen from 154,000 at th eend of 1976 to around 135,000 at present, more reductions are inevitable. Over the past week unofficial short-term estimates have ranged between 10,000 and 20,000.

Lorraine is likely to experience a wave of plant closures, following the decision earlier this year to halt work on a new steel works at Neuves-maisons near Nancy that was due to *begin production in 1979*.

But Lorraine is a relatively backward industrial area and steel an important support to the local economy. Restructuring the industry will inevitably necessitate a huge government effort to attract new jobs to the region.

EEC figures, which the French industry cannot dispute, show that crude steel production in 1977 totalled just over 22 million tonnes, while the industry's work force at the end of that year amounted to 143,000. Production in Italy totalled 23.33 million tonnes, with the labour force at the end of the year adding up to only 96,699 persons.

Steelmaking in France is an uneasy mix of old and new. France's historic steel making centre lies in Lorraine in the east of the country. The industry grew up there on top of deposits of phosphoric iron ore that were first exploited to a significant extent in the final quarter of the nineteenth century at the time of the German occupation of Alsace and Lorraine.

Although some modernization has taken place since the Second World War, the industry in Lorraine is comparatively isolated from its sources of raw materials and its markets.

A traveller on the train from Luxembourgh to Strasbourg passes not only modern plant but also rusting, unused works that still count as part of France's notional productive capacity of around 35 million tonnes a year.

The new steel making centres in France are on the coast. At Dunkirk in the north, Usinor has built up a modern eight million tonnes a year plant over the past 15 years that can compare with any modern steel works in Europe and comes close to the latest Japanese standards.

Fos looks like a white elephant being too small to cover scosts and too large for the local market, but its closure *would* represent a tremendous loss of prestige.

In restructuring the industry, the French Government will probably look to Brussels for support.

Viscount Etienne Davignon, the EEC Commissioner for Industry, has said that the emphasis of his "anti-crisis" plan for the European steel industry will be on restructuring next year. Although he welcomed the French plan in advance of its announcement, *his experts are still waiting for* the details of its industrial and social implications.

Peter Norman

Business Diary in Europe: Bank hits in Italy

ive out of seven was, under he circumstances, not a bad core. The hits were the chairmanships of five important talian banks, including Banca Nazionale del Lavoro, the ountry's biggest, while the two nisses were those of Cassa di Risparmio Delle Province Lombarde (Cariplo), claimed to be he largest savings bank in urope, and of Banco di Sicilia, here the previous chairman's erm of office expired officially n 1969.

It took five hours for the nterministerial committee on redit, presided over by the reasury Minister, Signor 'ilippo Pandolfi, to approve the ive nominations and decide to efer, probably till October, heir attempts to agree on the ther two.

The appointment to top posts n banks of public interest is a rerogative of the government, nd, in recent years it has ecome a practice to subject hem to bargaining between he political parties supporting t.

Since the political parties ave often been unable to each agreement on successors, t has become common for chairmen to sit on beyond their fficial term of office for years.

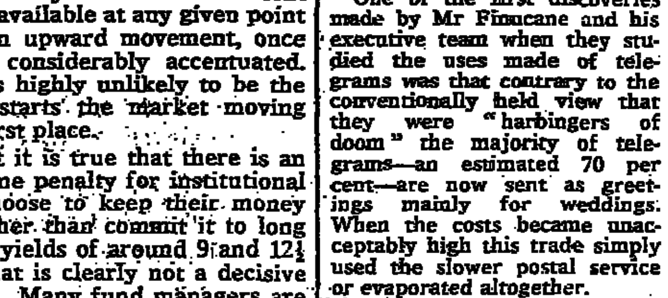
The prospects now are that t Banco di Sicilia the Sicilian egional government will be ersuaded to accept a republican, Professor Giannino Parravicini, instead of a Christian Democrat as it wanted.

A successor to Professor Giordano Dell'Amore, for many ears chairman of Cariplo, is owever still open, and is the ubject of contention between ifferent Christian Democrat factions.

The appointments that were approved, and now go to parliament for its opinion, are Signor Nerio Nesi, a socialist, at Banca Nazionale del Lavoro. Signor Luigi Coccioli, a Social Democrat, at Istituto San Paolo di Torino. Signor Remo Cacciafesta, Christian Democrat, at the Rome Savings Bank, and Signorina Emanuela Savio, Christian Democrat, reconfirmed at the Turin Savings Bank. Signor Rodolfo Banfi, a sympathiser of the Communist Party, to the Mediocredito Centrale Medium Term Lending Institute.

The communists, who have spearheaded the campaign for moralizing the banking system, have welcomed the new nominations, even if they seem still to follow the practice of a party share-out.

But, a party spokesman said, what counts is not a man's party sympathies but his banking ability. "On the whole, the men chosen appear, unlike in the past, to be professionally capable", he stated. "From such bankers we expect management in the service of the country."



"Giscard D'Estaing wants three wise men to study the problems of an EEC of twelve nations. No mention, of course, of wise women."

For the first time since the tourist industry became important in Spain, the managers of all hotels, inns and boarding houses, are from January 1 to be free to set the rates without government interference. Four and five-star hotels are already decontrolled.

"Don't call it a price rise", Ignacio Aguirre, Secretary of State for Tourism, told Business Diary. "It is a liberalization of prices. The distinction is important. I am sure some hotels will not put their prices up, although of course others will."

Aguirre said that one of the reasons for his decision to take the lid off hotel prices altogether was the encouraging result of liberalization of prices in the more luxurious hotels. He added that the decision is "consistent with the government's economic policy of removing controls on products".

The new rules specify that hotel managers must advise the tourist administration of their rates, and once those rates have been announced they cannot be changed for the next 12 months.

The Minister argues that the change is beneficial to the client in many ways. For instance, hotels and boarding houses will no longer be allowed to charge customers for breakfast whether *they* take breakfast or not.

The "liberalization", Aguirre said, will have no effect on package tours, since rates contracted between hoteliers and tour operators are always special rates.

The rate-liberalization order incorporates several provisions for the protection of the hotel guests. For example, high-season prices may not be over 25 per cent more than low-season prices, and the room rates must be stated clearly on a copy of the registry slip which the customer signs as he checks in. The copy is for the customer.

The hotelkeepers will be entitled to ask for a small non-returnable fee when a room is booked in advance.

Ludwig Poullain, the former chief executive of the Westdeutsche Landesbank Girozentrale, seems on the verge of a remarkable career comeback.

If all goes according to plan, the ex-banker will shortly be breathing life into the Zurich based Iran-Krupp Investment AG. This company, which was set up in 1975, was intended to operate on a world-wide scale building and running industrial plants for its two shareholders, the state of Iran and Krupp of Essen, but somehow never got off the ground.

The idea of bringing in Ludwig Poullain has been attributed to Berthold Beitz, Krupp's supervisory board chairman.

Beitz, who will be 65 tomorrow, apparently believes that Poullain's "pent up energy" is just what is needed to turn Iran-Krupp investment from what is virtually a letter box company into an effective concern.

The 29th International Office Exhibition (Sicob) opened its doors in western Paris on Saturday this weekend, and the organizers thought it would be a good idea to mark the occasion by finding out what company directors and senior management thought about their role in life. The Sofres Organization conducted the poll among 300 men at the top and 715 of their senior subordinates.

A pretty disconsolate lot they seemed to be about their position in life. Forty nine per cent of the management men felt that they were losing their prestige and 47 per cent of the directors felt the same thing. As many as 39 per cent felt they were being simply used as a mere cog in a wheel.

Both trade unions and bureaucracy were widely felt to be paralysing them—the view of 90 per cent of company directors. The banks were also thought to be a bit too stingy by 76 per cent who felt that loans were too difficult to come by.

Another finding was that personnel of this type are not likely to stick with one company. Seventy-three per cent were found to have changed jobs at least once and 18 per cent were working for their fourth employer. It is thus understandable that a relatively high proportion—47 per cent—felt that faithfulness should be rewarded by some form of bonus.

The poll also showed that delegation of responsibility figured high among those interviewed as essential for good business (83 per cent of management and 70 per cent of directors). But at the same time as many as 55 per cent of both grades felt there was a growing crisis of authority in business. Probably due to the fact that only 17 per cent thought they got on well with their colleagues.

West German paper manufacturers O. Dorries GmbH of Duren have just had a letter from an Indian customer delivered after 28 years. The Swiss post office recovered it from a postbag frozen in the Bossons Glacier near Chamonix. Apparently the bag had been upon an Air India aeroplane that crashed on Mont Blanc in 1950 en route from Calcutta to Geneva.

Ross Davies

Industrial films

Aspects of the world we live in

Sponsored films provide as varied a view of the world we live in as even television can supply: from oil in the North Sea to head lice, from the inside detail of concrete to the dangers of drink.

Consider *On Your Own Head Be It* from Napp Laboratories. This is straight education on the strangely growing menace of head lice, how to cope with an infestation (from which apparently neither money nor cleanliness can necessarily protect us): a useful 18 minute film, no mere plug for the sponsor's products.

Then there is *Drink and Drive?* (28 minutes) from Ansvar Insurance, specialists in insurance for non-drinkers: a study of controlled tests of the effect of alcohol on driving competence, framed in a brief story of a man who claimed that he drove better after a drink. Message admirable, and the sponsor's interest obvious enough, so it seems surprising that the film is not on free hire.

There have been so many films on North Sea oil that *The Wells of Montrose* (27 minutes) might have been repetitive. But the story, this time from Amoco Europe, is strong enough to bear retellings, and the film has the merit of covering, however *briefly, all the aspects* seen earlier in single films—with a bonus in a remarkable shot of replacement crew lowered from helicopter to a sea-swilled deck.

The Cement and Concrete Association made *An Introduction to Pre-stressed Concrete* (21 minutes) for students of architecture and engineering—the history of pre-stressing and its importance in the provision of tensile strength, demonstrated in animation and laboratory tests. A quite different strength is the subject of *The Problem of the Root*, (10 minutes) from the Building Research Establishment, warning us not to plant trees too close to our houses with a demonstration of how the tree, taking water from the soil, can undermine the footings with its roots.

Echo (25 minutes) will by now have been seen by many people here and on the Continent, as Jersey's latest encouragement to tourism.

By way of final contrast, *The World of Netlon*. This 29-minute film won three awards at the British Sponsored Film Festival this year, including *The Times* Newcomers Award. Intended for potential and existing Netlon licensees overseas, it would be of interest to audiences at home in its ingenious use of animation to explain how the knotless plastic is made.

Eynon Smart

Clydebank fighting for its future in face of continuing cutbacks

Industry in the regions

Time and new technology have not served Clydebank well. The austere but fiercely proud Clydeside town, famous for ships and sewing machines, has limped into an era which wants neither its ships nor its *sewing machines*. Clydebank now faces a rationalization on a huge scale.

Real ships, with bows that towered above the rooftops from the John Brown Yard, are no longer built there of course, and the market for the *inelegant exploration rigs* which took their place has proved to be poor and highly competitive.

Marathon Shipbuilding, the American company which took over the John Brown Yard after the bankruptcy of Upper Clyde Shipbuilders, has issued redundancy notices to 900 of their 1,200 workforce.

The Transatlantic reins have also been pulled in on the Singer factory at Clydebank. The company plans to reduce the workforce by almost 3,000 and make the factory an assembly plant, employing only 2,000.

At one time Singers had 15,000 workers and the John Brown Yard 14,000.

Elsewhere in Clydebank there have been lesser disasters.

Two biscuit factories and a steel-erecting firm have, between them, got rid of almost 1,000 workers.

Other companies fear that redundancies are unavoidable *and the total* could be disastrous to the town. "We have become an economic punchbag", one councillor complained.

It was Clydebank's reputation as a shipbuilding and heavy engineering town which attracted the Luftwaffe there during the war and earned it the dubious distinction of being the second most heavily blitzed part of Britain.

The borough was almost completely destroyed with only eight houses left undamaged. Unlike similar towns in German, Clydebank never fully recovered from those traumatic scars.

The huge capital debt incurred then remains a millstone around the local council's neck and seems to be reflected in the grim main road running through the town and along the river.

Mr Jimmy Reid, secretary of the shop stewards at Marathon and a leader of the Upper Clyde Shipbuilders work-in, admits that the flurry of body blows the town has received are probably little different from those suffered by other industrial centres were new investments and modernization are absent.

But he believes that Clydebank has additionally suffered from having industry tied up largely in the hands of foreign, multinational companies who did not appreciate the impact of remote decisions made thousands of miles away.

The town desperately needed a strengthening of fresh industry, he said. Ironically a fine example of what could be achieved is John Brown Engineering, which builds gas turbines and has bid for a £100m Soviet order.

The firm has begun a multimillion pound expansion which involves reopening the mothballed fabrication works, *closed 18 mohths ago when the* company abandoned a venture into offshore oil industry after heavy losses and continual labour troubles.

The latest crisis at Marathon came two years after the company was forced to lay-off workers for lack of orders. Closure was avoided then when the Government placed a £13m order for a speculative rig through a reluctant British National Oil Corporation.

This and a second unit, have been sold to America but work will run out for steelworkers at the yard by the end of the year. There is little expectation that the Government will step in a second time.

Marathon has tendered for several orders this year, but each time have been defeated by foreign competition. The yard has built eight rigs and converted a vessel into a dynamically positioned drill-ship, all without industrial dispute and with only £1,400,000 grant aid from government.

At Singers the problems are greater. The factory is the biggest employer in Clydebank. A report by management consultants commissioned by the unions and partly funded by the workers, suggests that large-scale investment is needed to retain the current production and workforce.

The company intends to invest £8m at Clydebank, concentrating on domestic sewing machine production—but not on the electronic models which would guarantee the factory's future.

The report is critical of management and its decision to end production of industrial sewing machines because of strong Japanese competition.

What then can Clydebank do? The Scottish Development agency, the departments of government concerned with economic planning, are deeply anxious.

Unemployment stands just below 10 per cent, but would be sharply increased if the redundancies expected by Marathon and Singers actually happen.

Manufacturing industry still accounts for 56 per cent of the local workforce, against a Scottish average of 30 per cent.

Mechanical engineering and shipbuilding absorb a high proportion of local labour, but the number of jobs for men has fallen by a quarter in recent years.

That accounts for the district council's anxiety to attract new industries offering a wider spread of employment.

An exhibition showing the good face of Clydebank is to open in spring in London.

It will underline that the town has a new £22m centre and is shaking off its old image. It also has thousands of square feet of empty factory space waiting to be used and a welcome for anyone with good ideas.

Ronald Faux

Business appointments

Mr Norman Pirrie joins McAlpine board

Mr Norman Pirrie has joined the board of Sir Robert McAlpine & Sons.

Mr John Gratwick has succeeded Mr C. T. Wells as chairman of Empire Stores (Bradford).

Mr Peter Ellis and Mr Murry Stuart have been appointed deputy managing directors of ICL. Mr Leslie Cole becomes director, worldwide marketing group, in succession to Mr Peter Ellis. The appointments are effective from October 1.

Mr Christopher Keeley has been made a director of Moorgate Investment.

Mr R. I. Sloan, an executive director of Commercial Union Assurance, has been elected president of the Chartered Insurance Institute.

Mr Tony Evans and Mr Rex Whittaker join the board of Systems Reliability.

Mr Michael Cox and Mr John Burtenshaw become directors of Contour Packaging.

Professor Roland Smith, deputy chairman, is to succeed Mr T. Clarke as chairman of Silentnight Holdings with effect from October 9. *Mr Clarke will remain o non-*executive director.

Mr S. Goulding has been appointed financial director of Johnstone & Cumbers.

Mr David White joins the board of John Haddon & Co on October 1. He is marketing and research director.

Mr J. E. Beer goes on the board of Short Loan & Mortgage Co.

FINANCIAL NEWS AND MARKET REPORTS

Canadian mines recover because of gold price and weak currency

Mining

Canadian gold mines have usually been treated with caution by investors. Much less is known about them than about South Africans, which in any case are bigger and until recently more profitable, and which because of associated political risks have attracted higher yields. The few Australian gold stocks have tended to be regarded as ever more speculative than Canadian mines, several of which depended on government subsidies for survival.

Research by the Canadian Brokers, A. E. Ames, indicates that the situation has been reversed. Last year saw the beginning of a turnround in Canadian gold mines' fortunes, while results this year should be very much better. To take two examples, Camflo Mines had a net income of just over C$1m *in 1977 but* made C$2.37m in the first six months of this year, and Pamour Porcupine pulled in C$1m in the first half against just C$20,000 for the whole of the preceding year.

This transformation is attributable partly to stronger gold prices, in exactly the same way that South African mines have gained a breathing space fater years of relentlessly rising costs. In the week in July when gold took off towars $200 an ounce gold stocks followed suit on the Toronto Stock Exchange.

Dome Mines, for instance, which is one of the bigest of *those lister, holding 56.8 per* cent of Campbel Red Lake and 62.6 per cent of Sigma Mines, rose $C7.50 in five days and *reachd a then record price of* $C95.50. At the end of last week it stood at another $C5 more. Another of the big mines, Campbell Red Lake, went up $C5.50 to $C52.50 on July 25. Agnico touched $C6.75, alittle more than its price last Friday.

What realy fuelled the surge, *however, was not the gold price* but the realization by investors that the depreciation of the Canadian dollar made gold expressed in United States dollars especially attractive. At around $197 an ounce, Canadian producers were effectively receiving $C225. Thus in its first half, the average gold price received by Camflo was $C200 compared with $C152 a year earlier. At a curent price of almost $216 an ounce, the equivalent should be $C248, an increase of 10 per cent in three months.

A further telling factor, which is perhaps just as important, is that Canadian gold mines appear to have suffered less from rising operating costs than their South African counterparts. Whereas South African mining companies are still reporting cost increases of between 15 and 20 per cent a year, with the constant upward pressure on black miners' wages leaving little possibility of that figure falling much, the Canadian average is certainly less, not least because of wage controls.

Indeed, comparison between the 1977 figures compiled by A. E. Ames and figures published in August this year by another Caandian house, Moss, Lawson, point to one fall (Dickenson) and several marginal increases in costs of production. Canglo is up C$2.5 to C$70 an ounce, and Dome Mines C$2 to C$150. Campbell, however, rose 50 per cent to C$75.

Although these sets of figures may not be strictly comparable, and should be treated with some reserve, they do indicate an essentially healthy future for Canadian gold mines. After many years in abeyance exploration is active, and old *claims are being re-staked*, frequently by new companies whose names we may expect to pop up befire long. But as with the Australian boom, investors should be vary of unfamiliar stocks.

In any case, there are several mines which deserve serious attention at the moment, with*out worrying* about brand new ones. The leverage which low costs give to Camflo and Campbell Red Lake is evident, even though the lateer's costs may have risen sharply in the first six months of 1978. Camflo is a particular favourite because it *also has sizeable oil and natural* gas interests, and at C$16⅝ a share is still well below its 1974 high of C$23¾, suggesting room for higher stock prices, whereas Campbell is C$3 below its 1974 maximum of C$48.

¾+MBMB

The main drawback is that the ebsence of risks investors associate with South African shares puts Canadians on relatively low yields. Dividends were virtually unchanged last year over 1976, but of course that should b eamply remedied this year, although an estimate demends on guessing what eventual price levels the stocks will attain. Investors will have to make up their minds about what price they place on South Africa's undoubted problems, compared with Canada's equally undoubted political and strategic security, Quebec separatism notwithstanding.

But when all is said and done, the dominant consideration must be the price of gold. Unless interest in Canadian gold shares is purely a speculative punt, buying them is really a currency hedge. Measured in Swiss francs, the gold index has actually fallen since the beginning of 1977 from about 250 to 225, taking 1968 as a base, while over the same 18 months it has soared in United States dollars from 42 5to 610.

The difference in Canadian dollars is magnified by the depreciation of that currency against the American. At present the difference is approximately 15 per cent. But *even if that gap were to close*, Canadian gold shares would look promising so long as fundamental demand for the metal is so strong.

Michael Prest

Tarmac heads big list of results

With only unemp
figures and energy trend
statistics front this we
interest will be centre
host of key company fi
Two major construct
panies feature. The
Tarmac with interim fig
today. Some confusion
caused among market e
by rumours that overse
blems would hit these
Asa result there is
spread of expectati
profits from £8.5m t
against £10m last time
higher end is the favou
The other constructi
pany is George Wimp
interim figures due o
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This wee

animity with the mar
generally agreed o
against £17.5m last ti
On Wednesday T
expected to announce f
flecting similar textile
problems to those su
Carrington Viyella
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to £4.8m. At Tootal t
not expected to be
severe with estimates
interim profits rang
£7.5m to £8m compa
£8.8m last time.
Group, formerly Ever
expected to announc
profits of £12m to £13
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Interim figures are
on Wednesday fro
Minsep and the mark
around £8.9m profits
with £7.7m last time a
for the year against £
On Thursday Vic
announce interim figu
are being taken as lar
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ization compensation
For what it is worth th
tion is for profits o
£6m compared with £
time.

Sir Campbell Fraser, of Dunlop.

TODAY.—Interims: Bramall, Channel Is Inv Tst, Fisons, Gen a Lav Tst, Jersey E Albert Martin Hdgs, Hdgs, Rio Estates I Tarmac. Finals: Adwe Chambers and Far Parker Knoll.

TOMORROW.—Interi ger Inv, Norman H Group, Newman Inds, C Electronic Machine dimond Inv Tst, Sun vice, Tomatin Distille corn Inds and Watmou *Finals*: AB Electro Group, and Sizewell Inv Tst.

WEDNESDAY.—Inter pine Hldgs, Alva Inv shire Metal Prods, Be Foseco Minsep, Le General Ass Soc, Mand Thomson T Line Tootal, C. and W. Wall *Finals*: A. Beckman, Hunt and Moscrop (Mi Startrite Eng Group, a morton Secured Grow

THURSDAY.—Interim deen Const, APV, Ber son and Nicholson, C. ring, Combined Englis Dunlop Hldgs, James F Co, J. Hewitt and S ton), Alexander Ho and W. Maclellan, W son Supermarkets, Ow RMC, Vickers, Wham Angel, and George Wi Co. *Finals*: Amber D Brown Bros Corp, Ch Cons Plants, Footwear Galliford Brindley, F Gates, General and C Tst, Gordon Gotch, HT R. P. Martin and Sin Hdgs.

FRIDAY.—Interims: bread Robey and Co, Early and Marriott (V Hambro Life Ass, Hurst, Lyle Shipping, Textiles, Modern Eng o James Neill Hdgs, Nort Canadian Inv and Royc

Also on Thursday Holdings announces figures and the marke fidently expecting £22n an adjusted figure of £ year.

Finally, Thursday w see interim figures fro ance broker Alexander The figures are expe show profits growth ve in line with others in tor—in this case from to £12m.

Bryan Appl

Thomas Walker s

In spite of the turn Thomas Walker edging from £1.7m to £1.72m year to June 30, pre-tax slid from £214,000 to £ With earnings per shar from 1.78p to 1.42p, d gross dividend is uncha 1.2p gross. Walker make smallwares for the cloth allied trades.

Neepsend looking to sparks on all fronts

With improved results expected in all divisions, Mr Stanley L. Speight, chairman of Needsend, the steel and engineering group, tells shareholders in his annual statement that he views the coming year with "some confidence".

A very profitable year is expected on the tools and engineering side of the business which should benefit from increased trading and improved production facilities, he says.

Substantial growth is planned in the marketing of tools and in particular do-it-yourself tooling, while the magnetic drills and cutters of Rotabroach will show a considerable increase in sales both at home and overseas.

Meanwhile tre steel market is showing no sign of improvement and without the sort of government intervention which he has urged, Mr Speight cannot conceive any upturn in United Kingdom demand. But the actions taken in the steel division coupled with the increased requirements for its finished engineering products should ensure a better result from both steel and castings.

Disappointed that increased sales produced a virtually unchanged pre-tax profit last year, Mr Speight now says that the group not only experienced a continuation of the world recession in steel but met the added complication in the United Kingdom of severe dumping.

The domestic market in high speed steels and tool steels has been faced by a 50 per cent *import penetration very largely* at dumped prices and "certainly all the result of uncommercial activities".

In castings, which also suffered from the general recession in the industry, production facilities are being developed and rationalized with confident results expected.

All other group activities have progressed in line with expectations. Had it not been for the reduced margins in many of the steel activities, the group *would have produced the sort* of results which the increased level of turnover warranted, he adds.

T K M stake in new company

A new company is to be formed to import and distribute VW and M.A.N. commercial vehicles in the United Kingdom.

The new company, which will become operational in January, 1979, will be owned 42 per cent by Tozer Kemsley & Millbourn (Holdings) and 32 per cent by Volkswagen (GB), itself owned by Lonrho. The remaining 26 per cent will be held equally by *Volkswagenwerk* and Maschinenfabrik Augsburg Nurmberg (M.A.N.).

Operating as a specialist commercial vehicle company entirely independent of passenger car interests, the new company will distribute from the outset the M.A.N. range of trucks and buses and the Volkswagen LT range of light commercial vehicles.

Distribution of Volkswagen commercial vehicles up to two tons (currently the type 2 range) will not be affected and will continue to be handled by Volkswagen (GB).

The issued capital of the new company will be £1.5m of which TKM's investment will be £630,000 in cash. However, it is *planned that in the course of* the next two years TKM will realize £500,000 of its existing investment in M.A.N. Concessionaires (GB), making its net new investment £130,000. A turnover of £30m is expected in the first year.

Mr Leslie Jones, currently chairman of M.A.N. Concessionaires (GB) (owned by TKM) and who has been named managing director of the new company, said: "This exciting new venture combines not only *the established skills of high*-quality truck-design with the proven success of a volume manufacturer, it also provides a strong marketing platform by utilizing the commercial experience of two important international trading groups.

"In addition it will, of course, also include today's combined product range from 2.8 tons GVW to 150 tons GTW which includes the well-accepted Volkswagen LT's and the established M.A.N. heavy trucks. Before long it will also include a new range of jointly produced vehicles from 6 to 9 tons."

Good start at confident Hogg Robinson

Speaking to *shareholders* at the annual meeting of Hogg Robinson Group, the group chairman and chief executive, Mr Morris Abbot, said the performance during the first three months of the new financial year is encouraging, and taking into account also his day to day *knowledge of how business is* progressing. He felt sure that it will once again have a satisfactory year.

He continues to see a noticeable improvement in the volume of new business and new clients and provided the group keeps its expenses under control, it should do well.

The United Kingdom Insurance Broking Division is doing particularly well. The International and Reinsurance Divisions are holding their own despite having to make good the benefit they previously received when the pound was weaker than it is now.

Christie-Tyler sales spurt in new year

After last year's profit fall, the new trading year has started *profitably* for Christie-Tyler, with sales "much above" the same period last year. Mr G. M. Williams, the chairman, reports in his annual statement that, "subject to circumstances quite beyond our control", he expects the current year to be much more profitable than last and that the group will again raise its share of the market. It makes upholstered and cabinet furniture. In the year to April 30 last, group profits fell for the second year running after six consecutive years of increases. Figures for the first half of the current year will be very much better than they were in the abnormally difficult period last year, although with the trade remaining very competitive, the group still finds much difficulty in achieving adequate margins.

Weekly list of fixed interest stocks

	Latest price	Prev week
Alb & Wilson 7¾ Deb '85-90	68⅞	68⅞
All Pty Hldgs 9½ Ln '92-97	74	74
All Brew 6¼ Deb '87-92	61½*	61½*
Do 7¾ Ln '93-98	62¾*	62¾*
A-s Bis 7¾ Deb '90-95	66	66
AB Foods 5½ Ln '87-2002	31*	32*
Assoc Elec 6 '78-83	78½	80¼
Do 6¾ Deb '86-91	66⅝	66¼
BICC 7¾ Deb '90-95	67	67
BLMC 6 '98-2003	37	[illegible]
Do 7½ Ln '87-92	50¼	50
Do 8 Ln '98-2003	46	48¼
BOC Int 6¾ Deb '81-86	76⅝	74⅝
Do 9 Tonnage 1988	87½	84¼
Bank of Ireland 7 Ln '86-91	59½*	59¾*
Barclays Bank 8¼ '86-93	72¼	72
Barclays Int 7¾ '86-91	67¼	67¼
Bass Char 5¾ Ln '87-92	45½*	44*
Do 7¾ '92-97	62¾*	62¾*
Do 8¼ Deb '87-92	71½*	70½*
Beecham 6¾ Ln '78-85	81	85½
Do 8¾ Ln '84-94	69¼*	68¾*
Bibby 10¼ Deb '94-99	83	79
Birmid Qual 7½ Ln '87-92	64½*	65*
Blue Circle 7 Deb '88-93	64	64
Do 9 Deb '92-97	74	74
Boots 6 Ln '78-83	78*	77½*
Do 7¾ '88-93	66*	65*
Bridon 8 Deb '89-93	69	69
Brit Am Tob 7 Ln '82-87	75⅝	75⅝
Brit Shoe 7 '80-85	87¼	87¼
Brooke Bond 5½ Ln 2003-08	40	40¼
Burmah Oil 6¾ Ln '78-81	83¼	83¼
Do 8⅞ Ln '91-96	61½	59¾
Do 7⅞ Ln '81-86	66⅞	66¼
Burton Gp 9¼ Ln '98-2003	70*	68½*
Cadbury-Schweppes 8¼ Ln '94-2004	62*	60
Coats Patons 4¾ Ln 2002-07	36½	36½
Do 7½ '90-95	62½	62
Courage 6¾ Ln 2004-09	60¼	50⅛
Do 8 2nd Deb '89-94	69¼	69¼
Courtaulds 6½ '94-96	54¼	55¼
Do 7 '82-87	73½*	73*
Do 7¾ Deb '89-94	67½*	66*
Debenhams 6¼ 2nd Deb	57½	57¼
Do 6½ Ln 86-91	59¾	59
Do 7¼ Ln 2002-07	60	60
Distillers 7½ Ln '88-93	66½	65
Dunlop 6¾ Deb '85-90	65*	65½*
EMI 7 Ln '87-92	59½	63
English Elect 6 Deb '80-85	78½	78¼
Esso 6 Deb '77-80	91½	91
Fisons 6¼ 2nd Deb '84-89	66½*	66½
Gallaher 6 Ln '83-85	73½	73½
GEC 7¾ '87-92	63½*	64½*
Do 7¾ '88-93	65½*	65½*
Gen Acc 7¾ '92-97	64¾	64¼
Glaxo 7¾ '85-95	31p*	33p
Glynwed 10¼ Ln '94-99	81*	80¾*
GUS 5¾ Ln	39½	40¼
Do 7¾ Ln '83-88	71½*	71½*
Do 8¾ Ln '93-98	66	66
Hawker Sid 7¾ Deb '87-92	69½	69
I[illegible] '94-2004	46¼	46
Do 7¼ Ln '86-91	68	69
Do 8 '88-93	70¼	69
Imperial Gp 4 Ln '75-80	90	89¼
Do 7½ 2004-09	58½*	58½
Initial Services 8 Ln '88-93	66¼*	65¾*
Int Stores 7¾ Ln 2003-08	59*	62½
Laporte 10¼ Deb '94-99	81*	82½*
Land Sec 8½ '92-97	66½*	67¼*
Lewis's Inv Trust 6½ 2nd '85-90	63¾*	63¼*
Lucas Ind 7¾ '83-88	71¾	71*
MEPC 8 Ln 2000-05	59*	57*
Metal Box 10¼ '92-97	81¼*	86¾
Midland Bank 10¾ Ln '93-98	88¾	87¼
Nat West Bank 9 Ln 1993	79¼	79
Ranks Hovis 6¾ Ln '76-81	85½*	85¼
Do 6¼ Ln '85-88	63*	65
Reckitt & Col 6¾ Deb '85-90	71¾	71½
Reed Int 7¾ Deb '90-95	65¾	65¾
Rugby Port Cem 6 '93-98	81	80¼
Sainsbury (J.) 7¼ Deb '87-92	68	66¾
Scot Newcastle 5¾ Deb	78½	78½
Do 7¼ Deb '89-94	70	70¼
Slough Est 7¼ Deb '85-90	70⅝	70½
Smith (W. H.) 5½ Ln	39½	39½
Spillers 7 Deb '78-83	82	81
Do 7¼ Deb '84-89	68½	69¼
Tate & Lyle 7¾ Deb '89-94	65½*	65¼*
Thomson Org 3 Deb '64-93	56	55¼
Do 7¼ '87-92	65¼	65
Tilling (T.) 8½ Ln '89-94	72⅝	72¾
Tootal 4¾ Perp Deb	35	36½
Do 7¼ '85-90	69	69
Truman Ltd 7¼ Deb '88-93	64½*	64½*
Turner & Newall 8 Ln '87-92	71	71
UDS 7¾ Deb '85-90	68*	71*
Do 10¾ Deb '89-94	87½*	87½*
Unigate 6½ Ln '91-96	54½*	54½*
Do 7¼ Deb '89-91	72⅝	72
Unilever 6¾ Deb '85-88	69½*	69¼*
Watney 7¼ Ln '94-99	59	59
Do 8 Ln '90-95	66	64
Whitbread 7¼ Ln '96-99	57½*	59
Do 7¾ Ln '96-2000	63¼	63¼
CONVERTIBLES		
Adwest 8 '89-94	157	157
AB Food 7½ '94-2004	205*	205
BPB 7¾ '89-94	148*	143*
Bowring C. T. 1981	114	112
Brit Petrol 6 '76-80	90¼	91
Britains 10¼ '91-96	82	83
Grand Met 10 '91-96	77¼*	77½*
Guest Keen 6¼ 1985	84	82½
Ind & Gen 4½ '94-99	114*	113½*
Lucas Ind 6½ 1980	130	139
MEPC 5 '89-94	113*	110*
Midland Bank 7½ '83-93	85½	84½
Ready Mixed 8½ 1978	100	100
Romney Tst 4½ '73-'78	98	97
Stock Conv 5½ 1984	268*	264*
Temple Bar 6 '87-91	82	82½

* Ex Dividend.

NANCIAL NEWS AND MARKET REPORTS

nalysts are becoming increasingly cautious

espite last week's fall shares e had a good run, and many cers are growing acutely scious of this, however eap" they are in some in- ion-adjusted sense. The re- is that recommendations getting increasingly cau- s.

onsider Manchester broker ry Cooke, Lumsden who has east three busy analysts in Keith Kirkman (chemicals), John Davenport (textiles) Mr Peter Cooper (engin- ng).

orthern Engineering, whose ly pre-tax profits are esti- ed to rise from £25.1m to 5m are said to be "a firm l and could be considered a ger-term buy."

arpets International's recent rim results showed that re- ery was going to plan, and year's profits could go up n £1.32m to £3.75m. So "in e of the 60 per cent rise e our buy recommendation April 13, we believe the res have further potential."

odycote, whose profits are growing this year has "con- rable long-term potential". scope in Brittains, the er group is large too. How- it is a long way off.

The mood of caution has extended to broker Williams de Broe Hill Chaplin. Poor interim profits have knocked Rowntree but cocoa prices should ease and the group is on the way to

Brokers' views

a big share of the continental market, writes Mr R. A. Brand. Profits this year could still rise from £41.5m to £45.3m. The verdict: "we remain strong holders."

Mid-term figures from Rio Tinto-Zinc were a compromise between profits probably falling this year and are better long-term outlook. Verdict: "we consequently continue to recommend retention of holdings."

It is the same with Laporte Industries whose recent interim profits drop could have been worse. But the price earnings ratio is high compared with the sector and: "we recommend no more than a retention of holdings at this stage in the year."

There is also an oil industry monthly report from Williams de Broe. Mr David Gray is another confirmed "holder" save for Burmah, which he says we should sell.

This prudent analyst points to Tricentrol getting a growing contribution from the Thistle field. "However, the dividend is unlikely to be raised above 2.5p until the Thistle field cash flow can be freed from debt repayments. This may restrain the share price but . . . we continue to recommend that the shares should be held", the analyst says.

His colleague at L. Messel, Mr David Oswald is bolder. It is a change to find someone saying: "The rating now looks fundamentally cheap and with confidence beginning to return to the oil share market we would add to holdings." Mr Oswald thinks that if Tricentrol was free to pay what it likes for 1979 the dividend could be as high as 7.7p.

Equally as bold, but in a different way, are analysts Mr Paul Aynsley and Mr Rodney Dennis of broker Simon & Coates. In their retailing bulletin Number One they say forthrightly: "With the prospect of a marked slow-down in the rate of consumer expenditure growth next year we would treat the customary buoyancy over the results season as an opportunity to reduce exposure to the sector."

Debenhams, they write, has gained ground in anticipation of good interims next month. These will give an opportunity to reduce holdings. In supermarkets Wm Morrison is said to be consolidating, but any weakness at half-time should be used for buying. Associated Dairies bid for Wades added a lower quality element to the group. UDS are attractive.

The writers argue that unlike Burtons the group tackled menswear problems early and it will benefit from this tackling for a further two or three years. Profits this year should top £30m. UDS has a profitable German associate and "highly profitable duty-free operations".

Mr M. Smith of the same broker has written about overseas traders. They should "perform relatively well against the market though the extent of any outperformance may not be great".

Peter Wainwright

BET's current-year results to show advance

For the second year running, there was an appreciable rise in British Electric Traction's pre-tax profits in the 12 months to March 31 last—from £55.31m to £67.04m pre-tax, in fact. In his annual statement, BET's chairman, Sir John Spencer Wills, reports that, in the current year to date, a number of group companies are showing useful increases in profits, others are reporting unchanged results" and there are one or two which are finding it hard to do as well as they did last year". Overall, the trend is in the right direction and it is the chairman's view that group results for the year as a whole will show an advance on last year.

On BET's oil exploration activities, the chairman reports that, following the drilling in the early part of 1978, by the Phillips Petroleum consortium (in which BET has a 5 per cent interest) of a further successful appraisal well on the Maureen Field in North Sea block 16/29a, a detailed plan fo ra commercial development was agreed.

It is at present with the Department of Energy for approval.

McKee ratify Davy Int agreement

The McKee Corporation, of America, has ratified the agreement between McKee and Davy International, under which Davy International will acquire all outstanding McKee shares for $33 a share in cash., a total of $110m.

As previously announced, the agreement contemplates that Davy will make a cash tender offer for any and all shares of McKee stock at $33 a share promptly after expiration of the 20-day waiting period required under Delaware law.

Under the agreement, after the tender offer is completed, McKee would be merged with a wholly owned subsidiary of Davy International.

Bricomin in for rest of NY & Gartmore

Bricomin Investments, a wholly-owned subsidiary of British & Commonwealth Shipping, announces that it intends to make a cash offer for the whole of the issued share capital of New York & Gartmore Investment Trust other than the 5.2 million share (65 per cent) already held by Bricomin.

The conditional offer price for each ordinary share will be 47p, dependent on the estimated ascset value of each ordinary.

HF Bulgin on way to fresh records

A. F. Bulgin & Co reports pre-tax profit of £631,000 against £473,000 for the half-year end-July. Earnings a share were 1.52p (1.14p). The interim dividend is raised from 0.83p gross to 0.93p.

The chairman says that order levels continue to be good and morale throughout the group is high. Given a continued favourable economic climate, he is confident that the company will continue to break its own records.

British Land buys Kingsmere for £4m

British Land is acquiring Kingsmere Investment for £4.2m through the issue of 5.4m ordinary shares and £2.35m, of which £1m is payable in cash on completion. The remainder will be paid after 12 months either through shares or in cash.

Kingsmere's net assets are £5m and consist of 174 freehold properties over 15 acres of London, known as the Langham estate. It is mainly a residential area, but includes the BBC and a sprinkling of minor commercial properties.

Newmark optimistic

Having met successfully the problems of the past 12 months, the chairman of Louis Newmark, Mr Geoffrey Newmark, belieesc that the group is sufficiently flexible and forward looking to cope with those anticipated for 1978-79.

Faced with difficulties which still surround industry, he is reluctant to forecast the financial outcome of the present year, but reports that current sales are up to expectation, and the board is satisfied that finances are adequate to meet plans for the foreseeable future.

British Land, whose revenue deficit fell from £4m to £1m last year, sold its 18.8 per cent stake in Property Investment & Finance earlier this year.

The British Electric Traction Company, Limited

Sir John Spencer Wills forecasts another record year

EXTRACTS FROM THE CHAIRMAN'S ANNUAL REVIEW

The following are extracts from the Review of the Chairman, Sir John Spencer Wills, which has been circulated with the Report and Accounts for the year ended 31st March 1978.

Accounts

The pre-tax profit for the year to 31st March 1978, at £67·0 million, was a new record, being an increase of 21·2 per cent on the previous year's profit of £55·3 million.

The Group's performance can be summarised briefly in the following paragraphs.

Humphries Holdings and Murphy Bros., after their problems and difficulties of the past three years, both returned to profit. Re-Chem International incurred another loss but it was a much reduced one, and this subsidiary looks set to earn a profit in the current year. The improvements in each of these three companies reflect much hard work on the part of their managements.

Good results were achieved by United Transport, Thames Television and the printing and publishing companies, Argus Press Holdings and Electrical Press.

Rediffusion made progress in its main business of the rental and sale of television sets in the United Kingdom but, regrettably, this progress was outweighed by continued heavy losses in Hong Kong and by problems at Redifon's telecommunications and systems simulation divisions.

B.E.T.'s other operating interests, taken together, increased their contribution to Group profit by some 10 per cent.

Printing and Publishing

The publishing companies continued their healthy growth. The pre-tax profits of Argus Press Holdings for its year ended 31st December 1977, at £1,289,000, exceeded those of 1976 by £355,000, and the pre-tax profits of Electrical Press for its year to 31st March 1978, of £432,000 showed an increase of £115,000.

The purchase, in October 1977, of the Reading Newspaper Company and of a controlling interest in the Bracknell Newspaper Company has taken us into prosperous areas of Berkshire. We now have four flourishing weekly newspaper groups in London and surrounding counties.

The number of magazines and journals published by the whole group has increased from 47 to 53.

The prospects for the current year are good and further growth in the profits of the publishing group should be realised.

Canadian Motorways

The Canadian Government's anti-inflation measures further affected profit margins with the result that the sterling equivalent of Canadian Motorways' pre-tax profit for the year to 31st December 1977 amounted to only £1·29 million, compared with the £1·48 million of 1976.

During the year, two new terminals were constructed at Vancouver and Saskatoon to provide for future development, and the equivalent of some £3 million was spent on maintaining the quality of Canadian Motorways' fleet.

In the shorter term, the present gloomy business outlook in Canada and the severe weather conditions experienced in the first quarter of 1978, mean that we must expect this year's profits to be lower than those of 1977.

Reclamation and Disposal

Reclamation and Disposal made further progress during 1977. Under difficult trading conditions, a pre-tax profit of £127,000 was earned compared with the loss of £79,000 incurred in 1976.

Biffa Holdings, the general industrial waste disposal subsidiary, had another satisfactory year and achieved a record profit of £273,000, before tax, as against £231,000 in the previous year.

Reclamation and Disposal's other operating subsidiary, Re-Chem International, reduced the loss it incurred to £141,000, as compared with £295,000 in 1976. The Fawley toxic waste treatment centre is now fully operational and this plant, and the two existing centres at Pontypool and Roughmute, are steadily improving their productivity.

Humphries Holdings

The return to profit of Humphries Holdings was achieved in the year ended 31st March 1978, when the company earned a pre-tax profit of £260,000. In the previous year there was a loss of £35,000.

The largest contributor to the improvement in the group's results was again Humphries Film Laboratories where the previous year's very much reduced loss of £148,000 was turned into a profit of £230,000. On the other hand, there was a disappointing increase to £288,000 in the loss at Mole-Richardson (Stage & Studio Engineering), compared with the 1976/1977 loss of £148,000, due largely to work carried out on major contracts entered into on unsatisfactory terms in earlier years.

United Transport

United Transport's profits, before tax, for the year 1977, compared with the results for 1976, showed an increase of over £4 million to £19·88 million.

The United Kingdom transport sector produced improved results. The road tanker operations did well throughout 1977 but the heavy haulage sector continued to be affected by a decline in the level of activity at home. However, expansion overseas went a long way towards offsetting the fall in the heavy haulage sector's profits compared with the previous year.

The principal manufacturing companies had an excellent year and increased their profits.

Of the increase of just over £4 million in the United Transport group's pre-tax profit for 1977, the overseas operations accounted for some £3 million.

The South African road passenger and freight operations reported substantial improvements despite economic conditions in that country. Since the end of the year under review, the Minister of Transport, after holding an enquiry, decided that the transport licences of one of United Transport's 75 per cent owned subsidiaries, African Bus Service Pretoria (Pty), should, in the interests of rationalisation, be transferred to another operator in the Pretoria area. Agreement was subsequently reached for the sale of the assets of African Bus Service Pretoria to the other operator for a cash sum equivalent to £8 million. The consent of the South African exchange control authorities has been obtained for United Transport to repatriate its share of the proceeds of this sale amounting to approximately £5·7 million after local taxes.

In Europe, particularly Belgium and Holland, there was a contraction in the level of demand and competitive pressures resulted in a narrowing of operating margins. Profits in Germany, however, improved and a further extension of facilities there is proposed.

The demand for air freight forwarding facilities continues to expand. Such is the growth in the requirements for cargo charter flights that United Transport has extended its interests to include that of an air freight carrier, having recently purchased a Boeing 707-320C freight aircraft.

Trading in the current year has so far been on a par with the comparable period of 1977, but the loss of a half-year's share of profits from African Bus Service Pretoria, consequent upon the sale of that undertaking, could mean that the profits of the United Transport group for the whole of this year may not match those of 1977.

Advance Laundries

After more than doubling profits over the two preceding years, Advance Laundries did not manage a further increase in results in 1977. Instead it narrowly failed, by some £100,000, to match the record pre-tax profits of £3·45 million of 1976.

The chief reasons for the virtual standstill in profits were a fall in the volume of business, caused mainly by cancellations of contracts, particularly for workwear, owing to a number of customers having either closed down or cut back their businesses, and other cancellations due to price competition. With the recent increase in industrial activity, Advance Laundries is replacing much of this lost volume of business.

Profits for 1978 as a whole are not expected to differ greatly from the £3·35 million earned in 1977.

Rediffusion Television

The pre-tax profits of Rediffusion Television for the year ended 29th July 1977, including the whole of the profits of Thames Television for its year to 30th June 1977, were £11·6 million, compared with £8·95 million for the previous twelve months.

Thames Television's increase in profits was due to a considerable improvement in advertisement revenue, and a continuing improvement in the sale of its programmes overseas. The profits, after tax and minority interests, of Rediffusion Television, which has a 50 per cent interest in Thames Television, were £3·66 million compared with £3·05 million for the previous year.

Thames Television's revenue from advertisements and sales of programmes has continued to improve and there will be a further increase in the company's profits for its year ended 30th June 1978. This improvement will be reflected in Rediffusion Television's accounts to 29th July 1978, which will be consolidated in B.E.T.'s Accounts for the current year.

Rediffusion Holdings

Compared with the pre-tax loss of £2·24 million incurred in the previous twelve months to 31st March 1977, Rediffusion Holdings incurred a loss of £100,000 in the year to 31st March 1978.

During the year under review, Rediffusion Holdings capitalised the loans which B.E.T. had made to it in connection with the building development programme of its subsidiary, Wembley Stadium.

Wembley Stadium reported a reduced loss for the year, compared with the previous year, as the result of, first, the receipt of a full twelve months' rent from the new office block and, secondly, the making interest-free, as from 1st September 1977, of finance provided by Rediffusion Holdings for Wembley Stadium's development programme.

During the year, Wembley Stadium was advised of the requirements of the Greater London Council, under the terms of the Safety of Sports Grounds Act 1975, to enable the company to maintain the maximum capacity of the Stadium. It is currently estimated that the total cost of these works will exceed £1·9 million. It is regrettable that the company should be confronted with this tremendous drain on its resources without any recourse to public funds or indeed financial assistance similar to that enjoyed by certain football clubs liable for expenditure under the Act.

Rediffusion Holdings' other main operating subsidiary, Walport Limited, which provides film and closed circuit television entertainment on ships and aircraft, had another successful year.

Boulton & Paul

I concluded my comments on Boulton & Paul last year with the remark that some improvement in profit might be possible even if there should be no improvement in demand. This prediction would have been correct but for unusual currency fluctuations affecting the value of timber stocks. In the event, the profit, before tax, for the year to 31st March 1978, was £6·24 million compared with the £6·78 million of the previous year.

All sections of the company's business are dependent upon the construction industry and the intense competition for the limited amount of work available has put profit margins under severe pressure.

Joinery orders at least have shown a welcome increase since the beginning of the present financial year. If that improvement in the flow of orders can be maintained, a better overall profit may be achieved this year in spite of difficult conditions which some other sections of Boulton & Paul's business may have to face.

Murphy Bros.

I am pleased to report that, for its year to 31st December 1977, Murphy Bros. made profits, before tax, of £563,000, which compares with a loss of £356,000 for the previous year.

In the principal activity of opencast mining, which is carried out under contract to the National Coal Board, the company's programme of work in the present year is satisfactory, but the market for coal is no longer expanding at the rate predicted, due mainly to a falling off in the United Kingdom in the demand for energy. In the medium to long term, however, the prospects for coal still look good.

The civil engineering subsidiary, Wrekin Construction, again made satisfactory profits in spite of the depressed state of the contracting industry in this country.

The new management of Murphy Bros. expect the company to show a further improvement in profits in the current year.

Plant Hire

The total pre-tax profits of the three plant hire subsidiaries amounted to £4·22 million, against the £4·13 million of the previous year.

Eddison Plant's record pre-tax profit of £1·56 million was an improvement of £438,000 on the previous year. The anticipated demand for forklift trucks continued throughout the year. An improvement in the building and civil engineering sector greatly assisted the utilisation of general contractor's plant, but truck-mounted cranes encountered stiff competition from low hire rates.

Grayston increased its United Kingdom profits by £374,000, but there was a downturn of £557,000 overseas. The total profits for the year amounted to £1·59 million against £1·77 million for the previous year. The overseas operations are expected to break even this year.

Grayston is a widely based company and all sectors of its business in the United Kingdom are currently experiencing higher utilisation and achieving improved hire rates, with the exception of truck-mounted cranes.

J. D. White is a specialised crane hire company and felt the full force of the fierce competition in this field. Pre-tax profits last year, at £1·07 million, showed a drop of £173,000.

The activities of our plant hire companies are well balanced and their potential earning power is well in excess of the present profit level. While best results may not materialise until 1979, a useful increase in profit is looked for in the current year.

Rediffusion

Rediffusion's profits, before tax, for the year to 31st March 1978, were £17·43 million, compared with £16·47 million for the previous year.

The year was a successful one for Rediffusion's domestic television set business. Colour sets are now in 65 per cent of homes in this country and, with the approach of market saturation, competition is intensifying and margins are under pressure. Nevertheless, from this, its main activity, Rediffusion showed an increase in profits, enlarging the volume of its business and its market share in the process. In Great Britain, rental is still the most popular way of acquiring a television set.

Rediffusion Industrial Services, which specialises in the design and installation of audio and visual communication systems, showed a marked increase in profits. The company has been active in overseas markets and some one-third of its turnover now comes from abroad.

Redifon produced less profit last year than in 1976/77. The computer and flight simulation divisions had an excellent year and achieved substantial profit increases. Unfortunately, these increases were more than offset by the loss incurred by the telecommunications division, which is undergoing major reorganisation, and by an unexpected loss in the systems simulation section.

It is a matter of concern that Rediffusion Television of Hong Kong, in which Rediffusion now has an 81 per cent financial interest, is not yet profitable.

Until very recently there were three competing Chinese-language television services in Hong Kong. Rediffusion's station achieved a bigger share of the total audience than in the previous year and a far larger share than the third station. Rediffusion's share has yet, however, to reach the level necessary to attract enough advertising revenue to cover the rising costs of its programme service.

The third station has now suspended operations and Rediffusion's improving trend in terms of revenue and audience share is expected to continue.

A Canadian subsidiary, Delta-Benco-Cascade, which manufactures cable television equipment, experienced another difficult year but Rediffusion's other subsidiaries overseas produced generally satisfactory results.

The profits of the Rediffusion group for the current year are expected to shown an advance on those of last year.

The Future

Last year saw, for the second year in succession, an appreciable increase in B.E.T's profit. In the present year to date, a number of our companies are showing useful increases in profits, others are reporting unchanged results and there are one or two which are finding it hard to do as well as they did last year.

Overall, the trend is in the right direction and it is my personal view that our Group results for the year as a whole will show an advance on the pre-tax profit of £67·0 million of last year.

Summary of Results

BET GROUP

Summary of Results	Year to 31st March 1978	1977
PROFIT BEFORE TAXATION	£67,042,000	£55,310,000
TAXATION	£34,631,000	£30,144,000
PROFIT AFTER TAXATION AND MINORITY INTERESTS	£24,827,000	£19,550,000
DEFERRED ORDINARY DIVIDENDS	£8,427,000	£7,478,000
Earnings per 25p Deferred Ordinary Share	17·00p	13·40p
Dividends per Deferred Ordinary Share	5·78p	5·17p

The Annual General Meeting of The British Electric Traction Company, Limited will be held on 19th October 1978, at the Connaught Rooms, Great Queen Street, London, W.C.2.

Copies of the Report and Accounts, containing the Chairman's Review, can be obtained from The Secretary (TT), Stratton House, Piccadilly, London, W1X 6AS.

FINANCIAL NEWS AND MARKET REPORTS

All sizes of tankers get strong trade boost

There was strong activity in the tanker market for all sizes and to all areas last week. The bulk market remained fairly static but firm. The average rate for a vlcc out of the Gulf last week was worldscale 40, although there were not many fixings in this size. The 220,000 d wt King Alexander the Great was fixed at worldscale 40, Gulf/West at the end of the week to, it is believed, Mark Rich.

There were few ulcc fixings durin gthe week. However, very active was the 130/

Freight report

140,000 d wt range where rates were around worldscale 45 to 50 Gulf/Us West Coast. Fixings for this size included the 140,000 d wt Andros Storm which went to MSK for worldscale 49, Gulf/East.

Fixings from West Africa were also active during the week. The 120,000-ton Wangskog was fixed West Africa/Atlantic for worldscale 45. The 82,000 d wt Cabot Spathi went to Exon for worldscale 70, Gulf/Far East. And the 100,000-ton Vivaita, on the same route, *went for* worldscale 70 to Showa.

Brokers predict that rates *should continue* buoyant for another two months while the pre-Opec price increase listing goes *on and it will then fall* back sharply.

In the bulk market fixing out of Japan remained firm, because of a shortage of prompt tonnage of the 50,000 ton range. On the Continent there has been a number of quick fixings, though some charterers have been putting this off until October in the hope that more tonnages will be available then and also lower rates.

The Great Lakes trade has firmed, as it always does towards the end of the season. A flat rate of $20.25 was paid for Antwerp/Hamburg range from Toledo. Another fixture was for 12,500 tons at $21 a ton to the United Kingdom. The Continent experienced good rates last week, for example the fairly old 15,950 dwt Silver City was fixed at $4,400 a day. Brokers feel that the continent market will ease in October as will probably the Japanese market.

Hilaire Gomer

Wilkinson aims to raise garden tool share

First results of the acquisition by Wilkinson March earlier this year of the United States garden tools and sports equipment company, True Temper Corporation, will be seen at the Garden and Leisure Equipment exhibition which opened at the National Exhibition Centre, Birmingham yesterday.

The company unveiled a new range of garden tools incorporating *trut temper* components and designs.

The new "Matt Black" tools bearing the Wilkinson brand name will launch a major drive by the comuany to capture a *bigger share of the middle* price sector of the growing £26m garden tool market. The company is now introducing three new ranges of spades and forks as well as an entirely new range of competitively prictd cutivators.

With this attack on the volume sector, Wilkinson is also aiming to capture the largest share of the £10m spade and fork market, widen their range of cultivators by adding four new tools, and offer for the first time a range of forks and shovels for the agricultural and construction industry.

Bank Base Rates

ABN Bank	10%
Barclays Bank	10%
BCCI Bank	10%
Consolidated Crdts	10%
C. Hoare & Co	*10%
Lloyds Bank	10%
London Mercantile	10%
Midland Bank	10%
Nat Westminster ..	10%
Rossminster	10%
TSB	10%
Williams and Glyn's	10%

* 7 day deposits on sums of £10,000 and under 6½%, up to £25,000, 7¼%, over £25,000 7½%.

Wall Street

New York, Sept 22.—The New York stock market closed slightly higher today. The Dow Jones industrial average was ahead 1.30 points to 862.44.

About 790 issues gained with some 650 lower. Volume was 28,070,000 shares compared with 33,640,000 shares Thursday.

Analysts attributed the gain largely to bargain buying after severe losses in recent sessions. They added that the market was held back by rising interest rates.

The Federal Reserve today raised its discount rate to 8 per cent from 7¾ per cent. Earlier this week the Fed raised its target rate on key Federal funds to 8½ per cent from 8⅜ per cent.

Citibank held its prime rate at 9¼ per cent but analysts say the rate is likely to be raised by banks soon to at least 9¾ per cent.

Late in the session the government reported that durable goods orders in August rose by 7.6 per cent—the highest rise since December, 1970.

Cocoa closes 1.30c up

New York, Sept 22. COCOA futures rallied on late speculative buying to close 1.30 to 0.55 cent up. Estimated sales totalled 5 £dlots, including 124 switches and 134 against actuals. Dec. 172.55c; March, 170.80c; May, 168.65c; Jly, 166.60c; Sept, 164.25c; Dec, 160.20c.
COFFEE futures in "C" contract were: Sept, 153.50c; Dec, 148.50-75c; March, 137.50-74c; May, 130.30-50c; July, 126.00-70c; Sept, 125.00c; Dec, 119.00-21c.
SUGAR futures in No 11 contract were: Oct, 8.23-25c; Jan, 8.65-78c; March, 8.84-85c; May, 9.02-03c; July, 9.22c; Sept, 9.35-44c; Oct, 9.55-58c; Jan, 9.20c.
COTTON futures were: Oct, 61.50-55c; Dec, 63.95-400c; March, 66.15-20c; May, 67.20c; July, 67.45-55c; Oct 65.00-10c; Dec, 65.05-15c; March, 65.90c asked.
SILVER.—Futures closed 1.50 cents below the highs on weekend book squaring into a rise scored on firm gold futures and rise in the Fed discount rate. Prices were up 1.30 cents net with the pacesetting December settling at 576.00 cents compared its ne whigh for the move of 577.50 cents reached this afternoon.
GOLD. Futures were: NY COMEX. Sept, $219.10; Oct, $219.50; Nov, $221.00; Dec, $222.80; Feb, $226.30; April, $229.90; June, $233.50; Aug, $237.10; Oct, $240.80; Dec, $244.50; Feb, $248.20; April, $251.90; June, $255.60. CHICAGO IMM. Sept, $218.30-31; Dec, $223.00-222.70; March, $228.00-228.50; June, $234.30-234.20; Sept, $240.00; Dec, $245.30; March, $251.00; June, $256.40 nominal.
COPPER futures closed barely steady between five and 15 points down.—Sept, 64.95c; Oct, 65.00c; Nov, 65.60c; Dec, 66.25c; Jan, 66.75c; March, 67.75c; May, 68.65c; July, 69.50c; Sept, 70.30c; Dec, 71.40c; Jan, 71.75c; March, 72.45c; May, 73.10c; July, 73.75c.
CHICAGO SOYABEANS.—Meal futures managed to close $0.70 to $0.20 a ton higher. Oil futures finished 0.76 to 0.12 cents a pound lower.—SOYABEAN OIL. Oct, 25.40-60c; Dec, 24.66-75c; Jan, 24.45c; March, 24.10-20c; May, 23.80c; July, 23.75c; Aug, 23.50c. SOYABEAN MEAL.—Oct, $170.00-169.80; Dec, $173.70-3.00; Jan, $174.00-3.80; March, $175.70-5.80; May, $176.60-6.80; July, $178.00-8.30; Aug, $173.00-8.30. SOYABEANS.—Nov, 648-46c; Jan, 655c; March, 663½-63c; May, 666½-67c; July, 667½; Aug, 662c.
CHICAGO GRAINS. WHEAT. Dec, 340-38c; March, 335¾-36½c; May, 332c; July, 321c; Sept, 331c nominal; Dec, 328c. CORN. Dec, 219½-19c; March, 228¾-29c; May, 234½-35c; July, 238¼c; Sept, 239½c; Dec, 243¾c; Dec, 245¼c nominal. OATS. Dec, 142½-¾c; March, 149¾c; May, 151¾c; July, 152c asked.

	Sept 22	Sept 21
Allied Chem	36⅛	35⅜
Allied Stores	26⅝	26⅛
Allied Supermkt	2⅞	2⅞
Allis Chalmers	35 •	34¼
Alcoa	45⅝	45⅞
Amax Inc	48⅞	48
Amerada Hess	30¼	29⅞
Am Airlines	15¼	16
Am Brands	50⅝	50⅞
Am Broadcast	58	57¼
Am Can	39	39
Am Cyanamid	29½	29
Am Elec Power	22⅞	23
Am Home	29⅞	29⅝
Am Motors	6	6
Am Nat Res	49¼	44⅝
Am Standard	46½	46½
Am Telephone	60⅝	60⅝
AMF Inc	19⅞	19
Armco Steel	30	30⅛
Asarco	15½	15¼
Ashland Oil	44⅝	44
Atlantic Richfield	51⅞	51⅛
Avco	28⅞	28⅝
Avon Products	55⅞	56⅛
Babcock & Wcox	59⅞	59⅝
Bankers Tst NY	36⅛	36⅞
Bank of America	27⅝	28⅛
Bank of NY	35½	35½
Beatrice Foods	26⅜	26⅝
Bell & Howell	20⅞	20⅝
Bendix	39½	38⅞
Bethlehem Steel	23⅞	23¼
Boeing	64⅝	65⅞
Boise Cascade	30½	30⅝
Borden	29	28⅞
Borg Warner	32	31⅞
Bristol Myers	34⅝	34¼
BP	18 •	18¼
Burlington Ind	20	20
Burlington Nthn	42½	42¾
Burroughs	78⅞	79⅞
Campbell Soup	36⅛	36
Canadian Pacific	19⅞	19⅛
Caterpillar	58⅞	59¼
Celanese	43⅞	43⅝
Central Soya	14½	14⅜
Charter NY	32¼	32⅛
Chase Manhat	33⅛	33
Chem Bank NY	41⅞	41
Chesapeake Ohio	29⅞	30
Chrysler	12	12
Citicorp	27 •	26⅞
Cities Service	53⅞	53¼
Clark Equip	36⅛	36⅞
Coca Cola	43⅞	44⅛
Colgate	20⅛	20⅞
CBS	56¼	57⅛
Columbia Gas	28⅜	28
Combustion Eng	39⅝	38⅞
Comwlth Edison	26½	26⅞
Cons Edison	24⅞	24⅛
Cons Foods	24⅞	24⅞
Cons Power	22⅞	23⅛
Continental Grp	31⅞	31⅞
Continental Oil	28⅞	28⅝
Control Data	37⅞	37⅞
Corning Glass	58⅞	58⅛
CPC Intnl	51	51⅞
Crane	32½	32
Crocker Int	28⅞ •	28½
Crown Zeller	33	32⅞
Dart Ind	45⅛	45½
Deere	35⅝	35
Del Monte	38⅞	38
Delta Air	48⅝	47⅞
Detroit Edison	16	15⅞
Disney	40⅛	40⅛
Dow Chemical	28 •	27⅛
Dresser Ind	44	43⅞
Duke Power	19⅞	20⅛
Du Pont	125¼	122
Eastern Air	13	13
Eastman Kodak	62¼	62⅞
Eaton Corp	39⅞	39⅝
El Paso Nat Gas	17⅞	16⅞
Equitable Life	20⅛	20⅞
Esmark	26⅞	26⅞
Evans P. D.	21⅛	21
Exxon Corp	50⅞	50⅛
Fed Dept Stores	35⅞	35⅞
Firestone	13⅜	13½
Fst Chicago	22⅛	22⅞
Fst Nat Boston	30⅛	30⅞
Fst Penn Corp	18	18
Ford	40	44⅛
GAF Corp	13½	13½
Gamble Skogmo	33⅛	33⅞
Gen Dynamics	83½	82
Gen Electric	53½	53⅞
Gen Foods	32⅞	32½
Gen Mills	29⅞	30⅛
Gen Motors	62⅛	62⅞
Gen Pub Util NY	18½	18⅞
Gen Tel Elec	30	30⅛
Gen Tire	28⅛	28⅞
Genesco	5⅞	5⅛
Georgia Pacific	29½	29⅞
Getty Oil	39⅞	39⅛
Gillette	31⅞	31⅞
Goodrich	20⅛	20⅞
Goodyear	17⅛	17⅛
Gould Inc	30⅞	30⅛
Grace	28⅞	28½
Gt Atltc & Pacific	7⅞	7⅞
Greyhound	13½	13½
Grumman Corp	19⅞	19⅛
Gulf Oil	25⅞	26
Gulf & West	14	14
Heinz H. J.	41⅞	42
Hercules	16⅛	16⅛
Honeywell	65⅞	65⅞
IC Inds	28⅛	28
Ingersoll	59⅛	59⅞
Inland Steel	37⅞	37⅛
IBM	289½	284
Int Harvester	40⅞	40⅛
INCO	16⅛	16⅜
Int Paper	44	44
Int Tel Tel	31½	31⅞
Jewel Co	23	23½
Jim Walter	32⅛	32½
Johns-Manville	31⅞	31½
Johnson & John	83	82⅞
Kaiser Alumin	34⅞	34⅛
Kennecott	27⅞	27⅞
Kerr McGee	47⅞	47¼
Kimberly Clark	45	45
Kraftco Corp	48⅞	48⅞
K Mart	26⅜	26¼
Kroger	31⅛	31⅞
Ligget Group	34½	34⅛
L.T.V. Corp	9⅞	9⅞
Litton	23⅞	23
Lockheed	28⅞	28⅝
Lucky Stores	16⅛	16½
Manuf Hanover	38½	38¼
Mapco	34½	34⅛
Marathon Oil	48⅞	49⅞
Marine Midland	16⅞	15⅞
Martin Marietta	32⅞	33⅞
McDonnell	30⅞	31⅛
Mead	31⅞	31
Memorex	50⅞	50⅛
Merck	60½	60⅞
Minnesota Mng	59⅞	60⅞
Mobil Oil	68⅞	68⅛
Monsanto	57⅞	57⅞
Morgan J. P.	47⅜	47⅞
Motorola	45⅞	46
NCR Corp	60⅞	61⅛
NL Industries	21⅛	21⅛
Nabisco	26⅛	26⅛
Nat Distillers	21⅞	21⅛
Nat Steel	30⅞	31
Norfolk West	26½	26⅞
NW Bancorp	27	27⅞
Norton Simon	19⅛	18⅛
Occidental Pet	20⅛	20⅛
Ogden	31	30½
Olin Corp	14⅛	14⅛
Owens-Illinois	22⅛	22⅞
Pacific Gas Elec	23⅛	23⅝
Pan Am	8⅛	8½
Penney J. C.	37⅞	37½
Pennzoil	31⅛	31⅛
Pepsico	29⅛	29
Pet Inc	54⅛	54⅛
Pfizer	35⅛	35⅛
Phelps Dodge	24½	24⅞
Philip Morris	72⅛	72⅛
Phillips Petrol	33⅛	33⅛
Polaroid	50⅛	49⅛
PPG Ind	28⅞	29
Procter Gamble	87⅞	87½
Pub Ser El & Gas	23⅛	23⅞
Pullman	44⅛	44
Rapid American	15⅛	15½
Raytheon	48	48
RCA Corp	29⅞	29⅛
Republic Steel	25	25
Reynolds Ind	61	61½
Reynolds Metal	35⅛	35⅛
Rockwell Int	35½	35⅛
Royal Dutch	63⅞	63
Safeways	43⅛	43⅛
St Regis Paper	31⅞	31⅞
Santa Fe Ind	35⅛	35⅞
SCM	21⅞	20⅞
Schlumberger	87⅞	88
Scott Paper	18⅛	18⅛
Seaboard Coast	35⅞	35
Seagram	25⅞	25⅛
Sears Roebuck	22⅞	23
Shell Oil	35⅞	34⅛
Shell Trans	46⅛	46⅞
Signal Co	32	32½
Singer	17⅞	18
Sony	8	7⅞
Sth Cal Edison	26½	26⅛
Southern Pacific	31⅞	31⅞
Southern Rly	54	53⅞
Sperry Rand	44⅞	45½
Std Brands	28⅛	28⅛
Std Oil Califnia	45⅞	46⅞
Std Oil Indiana	51⅞	53
Std Oil Ohio	36 •	36⅞
Sterling Drug	16⅛	16⅞
Stevens J. P.	16⅞	16⅛
Stude Worth	61⅞	62⅛
Sunbeam Corp	22½	21⅞
Sun Comp	44	44⅛
Teledyne	89⅞	89⅛
Tenneco	31½	31⅛
Texaco	24⅛	24⅞
Texas East Corp	37½	37⅞
Texas Inst	85⅞	85
Texas Utilities	20⅛	20⅛
Textron	30⅞	30½
TWA	25⅛	25½
Travelers Corp	37	36⅞
TRW Inc	37½	37⅞
UAL Inc	37⅞	37½
Unilever Ltd	46	46
Unilever NV	59⅛	58⅞
Union Bancorp	27	28⅛
Union Carbide	39⅞	39⅛
Union Oil Calif	52⅞	52⅛
Un Pacific Corp	51⅛	51⅞
Uniroyal	7⅛	7½
United Brands	12½	12
US Industries	8⅛	8⅞
US Steel	26⅛	26⅞
Utd Technol	43⅞	44
Wachovia	19	19⅛
Warner Comm	49⅞	49⅞
Warner Lambert	27⅞	27⅞
Wells Fargo	29⅛ •	29⅛
West'n Bancorp	41½	41⅛
Westnghse Elec	21⅛	21⅞
Weyerhaeuser	29⅛	29⅛
Whirlpool	23	23
White Motor	12⅞	12⅞
Woolworth	20⅛	20⅛
Xerox Corp	55⅞	55⅞
Zenith	16⅞	16⅞

Canadian Prices

	Sept 22	Sept 21
Abitibi	17⅛	17
Alcan Alumin	36½	36⅞
Algoma Steel	24	23⅞
Bell Telephone	61	61
Cominco	31½	30⅞
Cons Bathurst	34⅞	34⅛
Falconbridge	30	29
Gulf Oil	33½	32⅞
Hawker/Sid Can	8.75	8.75
Hudson Bay Mng	20⅛	20⅞
Hudson Bay Oil	41⅛	41⅞
Imasco	35⅛	35⅞
Imperial Oil	22⅞	22⅛
Int Pipe	17½	17⅛
Mass.-Fergsn	13⅛	12⅞
Royal Trust	19½	19½
Seagram	29½	29½
Steel Co	28⅛	28½
Talcorp	11	11
Thomson N 'A'	14⅛	14⅛
Walker Hiram	36½	36½
WCT	12	12

• Ex div. a Asked. c Ex distribution. h Bid. k Market closed. n New issue. p Stock split. t Traded. y Unquoted.

Foreign exchange.—Sterling, spot, 1.9730 (1.9805); three months, 1.9560 (1.9668); Canadian dollar, 85.16 (85.48).

The Dow Jones spot commodity index was 378.12. The futures index was 377.26.

The Dow Jones averages.—Industrials, 862.44 (861.14); transportation, 241.58 (242.01); utilities, 105.72 (105.99); 65 stocks, 298.75 (298.78).

New York Stock Exchange index, 57.37 (57.36); industrials, 62.75 (62.73); transportation, 48.24 (48.20); utilities, 39.57 (39.60); financial, 62.08 (62.08).

Briefly

NIOC, BECHTEL, VENTURE
National Iranian Oil Company (NIOC), Bechtel Corporation, of America and Messerschmitt-Boelkow, of West Gtrmany, have formed company to invest in non-oil ventures. Iran Oil Investment, *has initial working capital* of $55m, with Bechtel holding 30 per cent and Messersscmitt 20 per cent. It plans to invest in leisure-time industries, tourist projects and high technology ventures.

ELBAR INDUSTRIAL
Turnover for half-year to June 30 up from £22.3m to £26.57m. Pre-tax profits, £1.08m (£951,000). Interim dividend raised from 5.3p to 5.96p gross.

WALTHAMSTOW STADIUM
Turnover for year to November 30, £1.62m (£1.43m). Pre-tax profit, £228,000 (£223,000). Dividend, 22p.

THIRD MILE INVESTMENTS
Turnover for half-year to June 30, £325,000 (£470,000). Profit after all charges, £23,000 (£40,000).

BLUE BIRD CONFECTIONERY
Turnover for year to June 24 *£9.9m (£7.97m)*. Pre-tax profit, £944,000 (£710,000). Total gross payment raised from 3.11p (adjusted) to 4.07p (adjusted). Prospects are "good".

S'HAM STEAM PACKET
Southampton Isle of Wight and South of England Royal Mail Steam Packet reports pre-tax profits up from £61,000 to £249,000 for half-year to June 30. Board expects year's results to *show satisfactory improvement*.

DAWNAY DAY
Dawnay Day Group has sold to Adams Foods Mathews & Skailes, Bristol-based cheese-trading company, for a total cash consideration of £935,000.

ST PIRAN—ORME
In view of the fact that Comben's offer for Orme Developments is now unconditional, Saint Piran has decided it has no option but to accept the cash-and-shares offer.

BLACK & EDGINGTON
Black and Edgington is to buy the minority share of its *subsidiary, Maghull Caravan, for* 25,000 ordinary shares.

ALFRED WALKER & SON
Turnover for year to April 30, £4.35m (£7.2m for previous 16 months). Pre-tax profit, £57,000 (loss, £500,000). No dividend (same).

THOMAS MARSHALL (LOXLEY)
Sales for half-year to June 30 up from £7.64m to £7.75m, but pre-tax profits down from £409,000 to £369,000. Interim payment, gross, 1.78p (1.66p). Renewed orders, mainly from abroad, indicate that possibly the worst is over, reports board.

More share prices

The following will be added to the London and Regional Share Price List tomorrow and will be published daily in Business News:

Commercial & Industrial
Banro Cons'd Ind
Financial Trusts
Goode, Durrant & Murray

Unsettled outlook for market indicated

The Eurobond market looks like it will remain unsettled for a while, some analysts assert, *writes AP-Dow Jones*.

Market participants not only expect a further rise in short-term dollar interest rates, perhaps to double digit figures, but they are also expecting further weakness of the dollar.

Short-term pessimism about the dollar, oddly enough, does not have much to do with recent economic and monetary events in the United States. Rather, it is the Deutsche mark that is emerging as the culprit because of the likelihood that the German currency will have to be revalued against other European currencies as part of the arrangements for the European Monetary System.

"The public discussions about the Snake (the joint currency float at the heart of EMS) will be followed very carefully. Any *indications of progress* will automatically set off speculation in the Deutsche mark", says a leading foreign exchange dealer, who predicts a Deutsche mark revaluation of between 5 per cent and 7 per cent.

He adds that while funds are moving out of the Belgian franc, guilder and French franc into Deutsche marks, there is also a considerable movement of funds from the dollar into marks and that this could become a tidal wave anytime.

Yet, even though sentiment remains tilted towards pessimism in the Eurobond market, the amount of cash waiting for investment is still building up, analysts say. These funds will be reinvested once there is a certain amount of stability in *interest rates and* foreign exchange rates, it is argued.

In any case, itchy cash-laden investors snapped up a 12-year, 9.75 per cent issue of Itel Finance International NV this week, allowing the managers to increase the size by $5m to $30m. Guaranteed by Itel Corp, a leasing firm, the issue was offered through a syndicate led by Kidder Peabody International at par. Syndicate sources said the offering was nearly three three times oversub*scribed but that poor secondary* market conditions militated against increasing the amount by more than $5m.

Euromarkets

With the Swiss franc reaching record highs this week, a $24m, 12-year convertible issue of Intershop Overseas Finance (Curacao) NV got a riotous reception because the bonds *indirectly represent a claim on* the Swiss franc.

Each $1,200 par value bond is exchangeable into five Intershop Holding AG shares, which are listed on the Zurich Stock Exchange. To quell speculation, the syndicate manager, Union Bank of Switzerland (Securities), cut the coupon rate by a half point to 5.25 per cent and *fixed* a very expensive exchange rate for conversion purposes of 1.5370 Swiss francs per dollar, Even so, the issue soared to 104-105 in the after-market before settling back on Friday to *103.5-104.5*. Syndicate sources said that allotments to underwriters, apart from the management group, averaged less than 5 per cent of the applications.

Intershop Holding is a property firm which was raising funds for acquisitions in the United States.

Eurobond prices (yields and premiums)

US STRAIGHTS ($)	Offer Price	Redptn Yld
Australia 8 1982	97⅞	8.71
Austria 8¾ 1990	100¼	8.73
Avco 9¾ 1985	99¾	9.30
Barclays 8½ 1993	99⅞	8.55
Beatrice 7⅞ 1983	97	8.55
Canadair 8½ 1983	97⅞	9.09
Canada Nat Railway 8⅞ 1986	96⅞	9.01
CECA 9 1993	100¼	8.97
Charbonnage de France 8⅞ 1981	99	8.82
Citicorp 6⅞ 1980	95⅞	8.98
Citicorp 7 1981	95	8.90
DFC New Zealand 8½ 1983	96⅛	9.05
DFC New Zealand 8⅞ 1985	96½	9.08
Dow Chemical 8 1986	95	8.86
EEC (S) 7⅞ 1979	98⅞	8.91
EEC 8¼ 1982	98¼	8.88
EIB 8 1984	96¼	8.87
EIB 9½ 1993	99¼	9.22
Elf-Aquitaine 8¼ 1985	99¾	8.30
Eurofima 8½ 1988	96½	9.06
I.C. Industries 9 1985	99½	9.10
ITEL 9¾ 1988	99⅞	9.79
I.U. 8⅞ 1987	95⅞	9.45
MacMillan Bloedel 9¼ 1993	98⅞	9.43
Midland Bank 8¾ 1992	97½	9.07
NCB 8 1987	94½	8.97
National Westminster 9 1986	102	8.64
New Zealand Forest Products 9 1986	99½	9.09
Newfoundland 9⅞ 1990	100⅞	9.23
Nordic Invest. Bank 8⅞ 1988	97⅞	9.10
Norsk Hydro 7⅞ 1983	96	9.04
Norway 7⅞ 1983	95⅞	9.02
Offshore Mining 8¾ 1985	96¼	8.96
Occidental 8½ 1983	96½	9.50
J. C. Penney 8¼ 1983	98⅞	8.78
Quebec Hydro 9½ 1993	100½	9.48
Renault 8⅞ 1981	99⅞	9.11
R. J. Reynolds 7⅞ 1983	97⅞	8.35
Shell 8¼ 1990	95⅞	8.87
Tauernautobahn 8½ 1987	98	8.59
CANADIAN DOLLARS		
Avco 9½ 1982	97½	10.31
Ford 8½ 1984	96⅝	9.35
General Motor 9¾ 1988	98⅞	9.93
Royal Bank of Canada 9 1992	99⅛	9.11
Union Carbide 9⅞ 1986	99½	9.84

	Offer price	Redptn yld
FLOATING RATE NOTES		
Chase Manhattan 9 15/16 1993	98⅞	10.10
Intl. Westminster 8 1984	99⅞	8.02
Midland 9 7/16 1993	99	9.54
Offshore Mining 9 7/16 1986	99¼	9.57
Williams & Glyns 9⅞ 1984	100	9.38
US $ CONVERTIBLES		
American Express 4¾ 1987	84	5.00
Babcock & Wilcox 7 1992	134	3.06
Beatrice Foods 4½ 1992	101½	6.74
Beatrice Foods 4⅞ 1992	116½	0.46
Beecham 6¾ 1992	114½	1.40
Boots 6¾ 1993	104	1.08
Borden 5 1992	97⅞	6.36
Broadway Hale 4⅞ 1987	75½	64.91
Carnation 5 1988	79	34.89
Dart 4⅞ 1987	85	39.99
Eastman Kodak 4½ 1988	88½	36.21
Economic Labs 4⅞ 1987	82½	44.98
Firestone 5 1988	78	69.72
Ford 5 1988	85½	7.70
General Electric 4¾ 1987	87	34.13
Gillette 4⅞ 1987	78	66.57
Gulf & Western 5 1988	88½	25.02
Harris 5 1992	232	3.67
Honeywell 6 1986	87½	60.61
ICI 6⅞ 1992	99	1.07
INA 6 1997	100	8.99
Inchcape 6⅞ 1992	116½	1.04
ITT 4⅞ 1987	79½	42.21
Jusco 6 1992	145	0.86
Komatsu 7½ 1990	142⅞	0.63
J. Ray McDermott 4⅞ 1987	158½	0.29
Nabisco 5½ 1988	104½	0.52
Owens Illinois 4½ 1987	179	43.55
J. C. Penney 4½ 1987	77	73.48
Revlon 4⅞ 1987	133	0.66
Reynolds Metal 5 1988	87½	11.11
Sperry Rand 4¼ 1987	98½	11.49
Squibb 4¼ 1987	83½	48.73
Texaco 4½ 1988	78	40.16
Texas Int Airlines 7½ 1993	100	9.38
Toshiba 6¼ 1992	136¼	0.59
Tyco 8½ 1988	105½	5.50
Union Carbide 4⅞ 1982	89½	27.62
Warner Lambert 4½ 1987	83	42.92
Warner Lambert 4½ 1988	77	69.98
Xerox 5 1988	77½	107.60

Source: Kidder Peabody Securities Limited

MOORGATE INVESTMENT
Moorgate Investment has arranged to increase an existing multi-currency loan facility of US$100,000, due for repayment on January 31, 1981, by another $100.000.

FODENS
Group *has won a number of* significant new orders, a high proportion of which will be delivered in latter part of year to April, 1979. These contracts amount to £1¼m and are from the Middle East and Nigeria.

Pifco hopes on new products

Mr Alfred D. Webber, chairman of Pifco Holdings, in his annual statement, says the company is making increased investment in new product development with particular emphasis on the use of new advances in technology. Meanwhile the order book for the autumn is good and the future, generally, is viewed cautiously.

Unit Trust Prices—change on the week

FT Index change on week 518.6–11.8(2.2%

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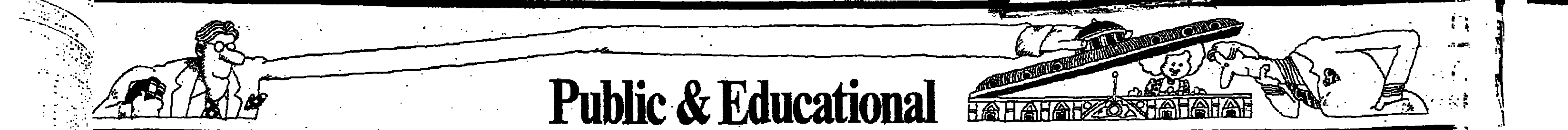


Public & Educational

Social Scientists

Research visits to France and Federal Republic of Germany

…der reciprocal agreements with the Centre …ionale de la Recherche Scientifique (CNRS) and … Deutsche Forschungs-gemeinschaft (DFG) the …cial Science Research Council is able to recom…nd a number of British candidates for research …ts to universities and research establishments in …nce and Federal Germany during 1979/80. The …emes are intended to give successful candidates … opportunity both to engage in preliminary …earch and to develop contacts and the potential … collaborative research with French and German …ial scientists. The financial support provides for …vel, subsistence and minor research expenses …mally for a period of a few months but exceptionally … up to one year.

…ndidacy is limited to social scientists with a …rking knowledge of French and German on the …ff of universities, polytechnics, institutes of …ther education and independent research institutes. …plicants are expected to provide a detailed pro…mme and timetable for their proposed work and …t in France and Federal Republic of Germany.

…ther details and application forms may be obtained …n David Kitson, SSRC, 1 Temple Avenue, London …4Y 0BD. Telephone 01-353 5252, extension 2.

…ase quote reference FP79/T or GP79/T.

… closing date for completed applications is …tober 31, 1978.

The Anglo World Language Centre, Cambridge

requires a

DEPUTY PRINCIPAL

30th October 1978, or as soon as possible. The post includes administration, teaching, and deputising for the Principal. Experienced person needed to assist in development of three-year-old EFL school for adults, average size 130 students, based in Cambridge Union Society building.

Particulars and form from:

The Principal,
ANGLO WORLD LANGUAGE CENTRE,
Round Church House,
Park Street, Cambridge CB5 8AS.

THE BRITISH ACADEMY
DICTIONARY OF MEDIEVAL LATIN

EDITOR

Applications are invited for the post of Editor of the Dictionary, to succeed Mr. R. E. Latham who is due to retire at the end of September 1978.

The Dictionary of Medieval Latin from British Sources, is being published by the Academy in fascicules, of which the first (A-B) appeared in 1975 and the second (C) is in the press. The Dictionary is based at the Public Record Office in London and is funded by the British Academy. At the present rate of progress the Dictionary is expected to be completed soon after 1990.

Two kinds of application will be considered: either for a full-time appointment on terms ranging up to those of a University Reader, depending on qualifications, or for a part-time supervisory appointment on equivalent terms pro rata.

Persons interested in applying are invited to write in the first instance to The Secretary, The British Academy, Burlington House, Piccadilly, London W1V 0NS. The closing date for the receipt of applications is 16 October 1978.

THE KING'S SCHOOL
WORCESTER

HEADMASTER

The Governors of the King's School Worcester invite applications for the post of Headmaster, which will become vacant in September 1979.

The King's School is a former Direct Grant School becoming fully independent, with about 200 boarders and 435 day-boys: the VI form numbers over 200, including 40 girls. There is also a Junior School of 90 boys.

Further details can be obtained from the
Clerk to the Governors,
5 Edgar Street,
Worcester WR1 2LR

UEA
NORWICH

CHAIR IN LAW AND DEANSHIP OF THE SCHOOL OF LAW

Applications are invited for the Chair in Law and Deanship of the School of Law following the return of the present Professor and Dean, Professor David Bentley, to the Government legal service. Appointment will be at an appropriate point on the Professorial scale, £9,345-£11,552 (under review), plus USS benefits, and will be tenable from 1 January, 1979, or as soon as possible thereafter. As Dean of the School, the successful applicant will receive an additional stipend for the period of the Deanship. Applications (one copy) giving full particulars of age, qualifications and experience, together with the names and addresses of three persons to whom reference may be made, should be lodged with the Registrar and Secretary, University of East Anglia, Norwich NR4 7TJ, not later than Friday, 27 October, 1978. In naming three referees you are particularly requested to give only the names of those who can immediately be approached by the University. No forms of application are issued.

DOMESTIC AND CATERING SITUATIONS

EXPERIENCED NANNY

Required to take care of baby in

Jeddah, Saudi Arabia

Some Medical experience necessary. Position would suit a mature responsible lady having already had similar responsibilities.

Excellent salary and conditions.

Reply with c.v. and photo to

Miss Podwapinska
Hotel La Reserve
1293 Bellevue
Switzerland

EXPERIENCED MOTHER'S HELP

needed. Girl 20+, car driver to look after 3 girls, 8, 6, & 5 yrs. and perform light housekeeping duties for Wimbledon family. Own room and tv. Salary & time off negotiable. Refs required.

Tel: 946 2481

AU PAIR BUREAU, Piccadilly Ltd. World's largest au pair agency offers best jobs London or abroad with Social Travel Club facilities at 87 Regent St., W.1. 930 4757 and 523 Oxford St., W.1. 408 1013.

DOCTOR requires babysitter for children, 4, 2 and 6 months. £5, 2 mornings per week.—Tel. Dr. Weller on 460 0589.

HOUSEKEEPER / COMPANION. — Lively, fit 80-year-old scholar and orientalist, needs housekeeper/companion. Winters in Middle East, summers in Britain. Lady in forties or fifties of some education, interested in books, preferred. Kindly write to: Dr. Morris Seale, c/o Porter, 13 Bolton Street, London, W.1.

HAVE YOU just finished a cooking course? Would you like to live en famille for 2 months, mid-Oct. to mid-Dec. in Germany? Teach a British Army doctor's wife to cook and to earn some pocket money? Telephone: Child Oakford, 347 after 7.30 p.m., 460 7641 (office).

ARTIST'S FAMILY in W.11. 3 daughters, 5, 4 and 1, urgently need mother's help, daily or live in. Weekends free. Non-smoking car-driver preferred. Ring: Mrs. Yorke, 01-727 2621.

NANNIES, MOTHER'S HELPS. Lots of super jobs, Marylebone Nursing Service, 74 Marylebone Lane, W.1 486 1055. No charges.

NANNY/MOTHER'S HELP, aged 25+, required to look after Nichola 5 and Kate 3. Attractive bed sitting room and own bathroom, colour TV. Excellent salary. Epsom area. Apply: Mrs. Sutcliffe, Ashtead 72825.

DAILY DOMESTIC Helps available. 3 months guarantee. Belgravia Staff Bureau, 584 4343.

DOMESTIC AND CATERING SITUATIONS

BUTLER REQUIRED FOR COUNTRY RESIDENCE

40 mins. London and London penthouse apartment. Other staff kept. Must be flexible and adaptable. Photograph and letter of application to:

Box No. 2579 K, The Times.

WANTED— GARDENER

Willing to move to Toronto, Canada. Cottage provided. Must be thoroughly experienced and with good references. Help will be given regarding leaving England. Please telephone for interview as from Friday:

629 5860
Mrs. J. A. McDougald

PUBLIC NOTICES

CORPORATION OF LONDON

Notice of proposed agreement by the Common Council of the City of London (hereinafter called "the Corporation") with the owner of land for the adjustment of boundaries in Moorfields and Moor Place in the City of London.

HIGHWAYS (MISCELLANEOUS PROVISIONS) ACT 1961

NOTICE IS HEREBY GIVEN that in accordance with Section 14 of the above-named Act THE CORPORATION OF LONDON for the purpose of straightening or otherwise adjusting the boundaries of the highways maintainable at public expense and known as Moorfields and Moor Place both in the City of London proposes as the highway authority for the two said highways to enter into an agreement with United Real (Moorgate) Properties Limited (hereinafter called "the Owners") who are the owners of land adjoining or lying near to the two said highways. The particulars of the Agreement are that there shall be conveyed to the Corporation an area of approximately 22 square metres comprising a piece of land fronting Moor Place and the Corporation will convey to the Owners a piece of land fronting Moorfields comprising approximately 116 square metres.

The Owners shall pay to the Corporation the sum of £1,500.

Any person who objects to the proposed agreement may appeal to the Magistrates Court holden at the Mansion House in the City of London before the expiration of two months from the date of publication of this Notice.

Any person claiming an estate right interest in or charge on the land to be conveyed by the Corporation to the owner may claim compensation under sub-section (5) of Section 14 of the said Act.

A Plan of the proposed adjustment of boundaries of the two said highways showing the land to be conveyed to the Corporation and the land to be conveyed to the owner will be open for inspection free of charge at the office of the Town Clerk of the Corporation at the Guildhall, London, E.C.2 in the City of London, from the 25th day of September, One thousand nine hundred and seventy-eight during the hours of 10 a.m. to 4 p.m. on all weekdays except Saturdays until the 11th day of December, One thousand nine hundred and seventy-eight.

J. CLAYTON,
Town Clerk.

Dated the 20th day of September, One thousand nine hundred and seventy-eight.

Australian National University

Applications are invited for appointment to the following:

NHMRC SOCIAL PSYCHIATRY RESEARCH UNIT

PSYCHIATRIST OR BEHAVIOURAL SCIENTIST RESEARCH FELLOW

The person appointed should have undertaken and published research in one of the following areas: clinical or epidemiological psychiatry, medical sociology, clinical or social psychology or medical anthropology. It is expected that most applicants will have completed an M.D. or Ph.D. The work of the Unit is directed towards the epidemiology of neurosis, with special reference to the effect of adversity and of social support in groups specially at risk in general populations. The person appointed would be encouraged, according to his or her aptitudes, to undertake an in-depth study of social bonds in specific clinical or demographic groups.

Appointment will be for three years or until 31 December, 1981, whichever is the earlier. Closing date: 31 October, 1978. Salary on appointment will be in accordance with qualifications and experience within the range $A15,179-$19,813 per annum. Current exchange rate $A1=$US1.14=59p. Reasonable appointment expenses are paid. Superannuation benefits are available for applicants who are eligible to contribute. Assistance with housing is provided for an appointee from outside Canberra.

The University reserves the right not to make an appointment or to make an appointment by invitation at any time. Prospective applicants should obtain the further particulars from the Association of Commonwealth Universities (Appts.), 36 Gordon Square, London WC1H 0PF.

University of Birmingham

FACULTY OF COMMERCE AND SOCIAL SCIENCE INSTITUTE OF LOCAL GOVERNMENT STUDIES

As part of its continued development, the Institute of Local Government Studies wishes to appoint to four posts. The first three are primarily for post-experience teaching, the fourth for undergraduate development.

LECTURER IN FINANCIAL MANAGEMENT. The emphasis in this post is on finance as an internal information and control tool for management. Applications are invited from accountants.

LECTURER IN POLICY ANALYSIS. This post emphasises the application of technical skills to policy problems. As such, it may be filled by a wide variety of backgrounds, e.g. corporate planning, management science, quantitative methods.

LECTURER IN ORGANIZATIONAL BEHAVIOUR. This post emphasises individual and group characteristics within organizations. Applicants are likely to have backgrounds which primarily emphasise psychological concerns.

LECTURER IN POLICY STUDIES. Initially this post is to assist in undergraduate developments in policy studies and is UGC financed. Applicants are likely to come from a wide variety of backgrounds such as planning, political science, urban studies, public administration.

For all of these posts experience of local government is desirable although not essential.

The Lectureship in Policy Studies will be for two years.

Appointments will be made in the salary range £3,883 to £7,754 (plus superannuation).

Further particulars and application form from the Assistant Registrar (Commerce), University of Birmingham, P.O. Box 363, Birmingham B15 2TT, to whom the form, naming three referees, should be returned by Friday, 27th October, 1978.

The London School of Economics and Imperial College

(University of London) Business History Unit

RESEARCH OFFICER OR RESEARCH FELLOW

Applications are invited for this new post in the general field of business history. Applications will be particularly welcomed from candidates with a special interest in technology and engineering in their relation to the history of business, widely defined, since 1850. The primary duty of the Research Officer or Fellow will be to develop his or her own research within this general field: there will also be opportunities to collaborate on the research projects and the teaching activities of the Unit. The appointment will take effect from 1 January 1979 or as soon as convenient thereafter, but not later than October 1979, and will be for a period not exceeding seven years. Salary will be on the Research Officer or Research Fellow scales which are: Research Officer Grade 1A: £3,883 to £6,555 per annum; Research Fellow Grade II: £6,080 to £7,754 per annum plus £450 per annum London Allowance in each case. In assessing the starting grade and salary, consideration will be given to qualifications, age and experience.

Applications should not be received later than the 23rd October 1978 by the Administrative Officer, Room H610, the London School of Economics, Houghton Street, London WC2A 2AE, from whom application forms and further details may be obtained.

University of Bristol
CHAIR OF ECONOMICS

University of Western Australia
Perth
CHAIR OF RESTORATIVE DENTISTRY

University of London
University Entrance and School Examinations Council
General Certificate of Education Examination

The Council invites applications for the following appointments:

CHIEF EXAMINERS
CHIEF EXAMINER

University of London
MODERATOR IN RUSSIAN

Rothamsted Experimental Station
Harpenden, Herts AL5 2JQ
PLANT PHYSIOLOGIST

University of Nottingham
DEPARTMENT OF PSYCHOLOGY
RESEARCH ASSISTANT

Durham School
GRADUATE TO TEACH

University of Warwick
INFORMATION OFFICER
for the Warwick Statistics Service University Library

This commercial information service based in the University of Warwick Library has a vacancy for an Information Officer to fill a new post, and to contribute to its development.

University of St Andrews
LECTURESHIP IN MARINE BIOLOGY

Centre of Middle Eastern and Islamic Studies
AGRICULTURALIST

University of Durham
READERSHIP IN HISTORY

The University of Manchester
CHAIR OF BIOCHEMISTRY

The University of Birmingham
DEPARTMENT OF PHYSIOLOGY
RESEARCH FELLOW IN EXPERIMENTAL NEUROLOGY

Applications are invited for a Research Fellowship in the Department of Physiology (in collaboration with Clinical Department) …

University of Southampton
DEPARTMENT OF AERONAUTICS AND ASTRONAUTICS
RESEARCH ASSISTANT IN AERONAUTICS

University of Durham
TREVELYAN COLLEGE
RESIDENT TUTOR

University of Southampton
FACULTY OF MATHEMATICS
RESEARCH FELLOWSHIP

University of Aberdeen
POSTGRADUATE RESEARCH ASSISTANT IN BIOCHEMISTRY

Queen Mary College
University of London
DEPARTMENT OF ECONOMICS
TEMPORARY LECTURER

University of Durham
DEPARTMENT OF CHEMISTRY
SRC POSTDOCTORAL SENIOR RESEARCH ASSISTANTSHIP

University of Aberdeen
LECTURESHIP IN CHILD HEALTH

University of Nottingham
DEPARTMENT OF PHYSIOLOGY & ENVIRONMENTAL STUDIES
LECTURESHIP IN PLANT PHYSIOLOGY

University of Manchester
LECTURER IN THE MECHANICS OF FLUIDS

Queen Mary College
University of London
ASSISTANT FINANCE OFFICER

Blackpool Arnold School
DEPUTY HEAD

SPANISH INSTITUTE

Commercial Properties & Services to the Business World

Lettings top halfway at Planetary

The continuing buoyancy of the industrial and warehouse market is reflected in the letting of the Planetary Industrial Estate at Wednesfield, near Wolverhampton, which is considered to be the biggest for many months in the West Midlands.

The letting is of 90,000 sq ft to the NMT Industrial Storage Group, which brings total lettings on the estate so far to well over half-way at 300,000 sq ft.

The estate, which covers a site of 26 acres and amounts to some 500,000 sq ft in all, is a development carried out by the London Life Association in conjunction with the Hill Samuel Life Property Fund.

Currently available in single bays are areas from 6,000 sq ft to 16,000 sq ft, *with multiples either side-by-*side or back-to-back. Rents range between £1.10 and £1.20 a sq ft.

Letting is through Debenham Tewson and Chinnocks and Henry Butcher, both of London, and Hurdley Bulley, of Wolverhampton and Birmingham, who are also estate managers.

Construction is also well advanced *on the 153,000 sq ft* Ringway Trading Estate, at Wythenshawe, near Manchester, which is being developed by Electricity Supply Nominees, the pension fund of the electricity supply industry.

The estate is claimed to be the largest speculative development in the region and *will provide 13 factory or* warehouse units ranging from 5,460 sq ft to 35,875 sq ft, the first of which will be available by the end of the year. The estate is within a mile of Ringway Airport and the M56.

Richard Ellis, the development consultants and joint letting agents with Leslie L. *Brown and Co. are talking of* a rent in the region of £1.50 a sq ft.

Taylor Woodrow Industrial Estates have been selected by the Wakefield Metropolitan District Council for a warehouse development costing about £2.5m to be carried out in partnership at Whitwood, some four miles north east of the town.

This will be TWIE's first industrial partnership with a local authority, although the company is also at an advanced stage in negotiations with another council for a similar scheme.

John Wheatley Covell Matthews Partnership are architects for the scheme, which is planned to produce a total of 250,000 sq ft. The first phase will consist of 30,000 sq ft of "advance" units. Work is to start almost immediately with the first units due to be ready for occupation next spring, *with rents at about* £1.40 a sq ft.

*The site of the develop*ment covers about 12½ acres just to the *north of Junction* 31 of the M62 at its intersection with the A655. Letting is through Walker Son and Packman and the Wakefield Metropolitan District Council.

Castle Reeves Investment, the development company based at Knutsford, Cheshire, has been granted planning permission on two adjoining sites at Bredbury, Stockport, for 60,000 sq ft of light industrial or warehousing space.

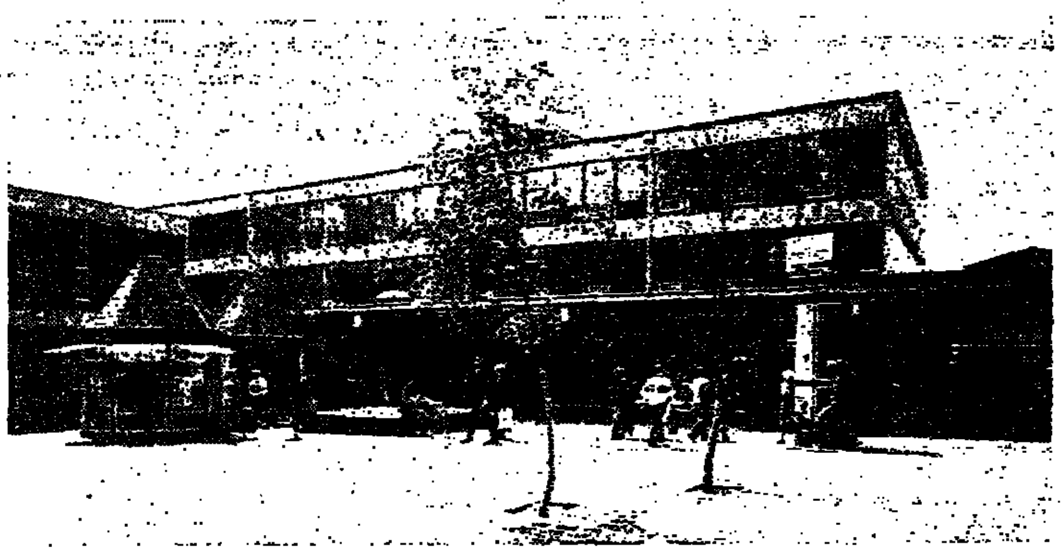
The smaller of the sites, three-quarters of an acre in Stuart Road, will provide 15,000 sq ft, which is to be let or sold as one unit, or can be devided into two. The larger site of two acres at Cromwell Road will provide a total of 45,000 sq ft, including offices. Units will be from 7,500 sq ft.

If let, rents are expected to be over £1.45 a sq ft. Agents for the scheme are Jordan Impey Charlton and Co, of Manchester.

A total of 60,000 sq ft of light industrial or warehouse accommodation is also planned by Commercial Union Properties (UK) for a site of 3.37 acres in Scotland Street, Glasgow, which it has acquired from the Glasgow District Council and Marshall and Anderson Ltd, a private company. Here units will be from 1,800 sq ft up to 31,000 sq ft.

Construction has started and units are expected to be available for occupation early *next summer. Richard Ellis*, who represented CUP in the acquisition, is letting agent and will be seeking rents from £1.40 to £2 a sq ft according to size.

The greater part of the offices in Ashford House, in *Ashford, Kent, has been dis*posed of in a single letting through Healey and Baker and Burrows and Day. Some 10,600 sq ft have been taken by a firm of local accountants. The rent to be paid has *not been disclosed, but the* figure being asked for the building was £2.85 a sq ft.



Ashford House, Ashford, Kent, part of the Tufton Centre.

Ashford House provides a total of 14,680 sq ft of air-*conditioned offices above the* shops and car parking in the Tufton Centre, a development by Land and House Property Corporation, now a wholly-owned subsidiary of Friends Provident Life Office.

The remaining space amounting to 4,080 sq ft is on the second floor and is available through the same agents also at £2.85 a sq ft.

The old Law Courts branch of the Bank of England, in Fleet Street, London, has been bought by the Bristol and West Building Society. *The building, in the Venetian* style, was built in 1886 to a design by Sir Arthur Blomfield, the architect to the Bank of England at the time. It was occupied by the Bank until the branch was closed in 1975.

Bristol and West will occupy about 4,500 sq ft, leaving nearly 7,000 sq ft of offices on three floors available for letting. The purchase was arranged by Lalonde Bros and Parham, of Bristol, in conjunction with Allsop and Co. St Quintin Son and Stanley acted for the Bank of England.

Somebody looking for a rural setting for their offices would be interested in [illegible]ton House, some two [illegible] *from Chichester*, [illegible] Sussex, a country house [illegible] a grade two listing.

The house and its outb[illegible]ings have now been [illegible]vated to provide 7,300 [illegible] of offices ready for imm[illegible]ate occupation at abo[illegible] a sq ft for a lease [illegible] years, with five yearl[illegible] views. The agents are W[illegible]heads, of Chichester.

A further 7,000 sq [illegible] space is planned in a [illegible]ing to be constructed i[illegible] same architectural sty[illegible] the original and linked [illegible] by a courtyard. The buildings could be us[illegible] a whole, or as separate [illegible]

Centros Properties [illegible] spend £250,000 on the [illegible]*sition of Holmwood Hou*[illegible] Cortworth Road, She[illegible] and its renovation to pr[illegible] some 10,000 sq ft of o[illegible] together with consid[illegible] on-site parking. The ho[illegible] a nineteenth-century bu[illegible] standing in grounds of [illegible] two acres in the Eccl[illegible] district of the city.

Centros has bough[illegible] property for long-term i[illegible]ment from its own reso[illegible] Eadon Lockwood and R[illegible] of Sheffield, are [illegible] agents.

Gerald [illegible]

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Broadcasting Guide

Edited by Peter Davalle

PERSONAL CHOICE

·d O'Sullivan and Tessa Wyatt, playing husband and ı Robin's Nest (ITV, 8.00)

ıering Prizes was a notable example of what can happen on ·ion when a good writer (Frederic Raphael) finds a good Tom Conti) who can make excellent sense of dialogue coming out of other mouths, might sound almost list. This same conjunction of actor and writer occurs again in the 30-minute play Something's Wrong (BBC 1, 9.00) ·h Mr Conti goes for a medical check-up. What should n your interest even more is the fact that Mr Raphael also the piece. It is, in fact, his directorial debut.

question Panorama poses tonight is: What is life like under town hall? The programme had its origin in the Tories' : of Wandsworth last May after seven years in opposition. meras were allowed into meetings of the full council mmittees and recorded some heated exchanges between al parties. In the wings, meanwhile, the unions were ning their swords.

ught the secret service thriller The Sandbaggers).00) got off to a promising start last week—tightly plotted th a nice balance between talk and action. Certainly Roy :n, as director of operations, knows how to beat a word apier. Tonight, he has to get the PM's permission to take ıction against an east African dictator and put some salt tail of a cabinet adviser suspected of planning to defect.

ıaps you are still not convinced that Martin Jarvis is y the best story teller (of other people's stories, you tand) on radio. More evidence to support my contention is ·le tonight when he begins reading a Geoffrey Household's Male. He excelled himself in the serialization of Dickens's 'imes a few weeks ago.

Sound (Radio 2, 10.30 pm), being the only regular radio mme about the film world, deserves more air time when sent miserly 32 minutes—even though it is devoted mainly music. Is it not time that Movie-Go-Round, long dead, surrected?

THE SYMBOLS MEAN: † STEREO; * BLACK AND WHITE; ;PEAT.

TELEVISION

BBC 1

6.40, Open University (until 7.55): 6.40, Conversing with Computers; 7.05, Classroom Interaction; 7.30, Computers; Social Implications.
9.38, For Schools, Colleges: 9.38, Everyday Maths (r); 10.00, Merry Go Round; 10.23, Exploring Science (r).
10.45, You and Me: David Ashton with a puppet show.
11.00, For Schools, colleges; 11.00, Engineering Craft Studies (r); 11.22, Music Time; 11.45, General Studies (Joan of Arc—2).
12.45 pm, News and weather.
1.00, Pebble Mill: today's guest is Hughie Green, formerly of Opportunity Knocks, now touring in a play.
1.45, Mr Benn: Ray. Brooks with the story Pirate.
2.01, For Schools, colleges; 2.01, Words and Pictures (r); 2.18, Twentieth Century History (r); 2.40, Going to Work.
3.15, Songs of Praise: open-air singing from Coverack. Cornwall (first shown yesterday).
3.55, Play School: Michael Rosen's story The Tortoises' Picnic.
4.20, Hongkong Phooey: cartoons (r).
4.40, CB Bears: *cartoons (r).*
5.00, John Craven's Newsround: young people's newsreel that grown-ups should not ignore.
5.10, Blue Peter: with special item for model railway enthusiasts. A new kind of control system
5.40, News, with Angela Rippon.
5.55, Nationwide: behind the headlines. Plus features.
6.45, Dad's Army: what happens when one dragon meets another (r).
7.20, Tycoon: part two of the new serial starring Diane Cilento as the widow who, in writing her husband's biography makes some worrying discoveries.
8.10, Panorama: what happened after the Tories won control of Wandsworth, in London. Last Monday's postponed programme (see Personal Choice).
9.00, News, with Angela Rippon.
9.25, Film: The Girl Called Hatter Fox. A physician (Ronny Cox) tries to lead a Navajo girl (Joanelle Romero) away from a rebellious existence.
11.00, Tonight: interview with John Conteh on the eve of his big fight at Wembley—his first since his controversial defeat in Belgrade.
11.40, Weather/Regional news.
BBC 1 variations: SCOTLAND: 10.00 am, Around Scotland: for schools. WALES: 1.45 pm, Pili Pala; 2.18, Let's Look at Wales; 4.40, Pippi Hosanhir; 6.45, Hediw; 11.41, Snooker; 11.51, News.

BBC 2

6.40 am, Open University (until 7.55). 6.40, Shipbuilding. 7.05, Identical Particles. 7.30, Circadian Rhythms (2).
11.00, Play School, same as BBC 1, 3.55.
2.15, Let's Go: repeat of yesterday's programme for the mentally handicapped. Brian Rix presents it.
4.55, Open University (until 7.00). 4.55, Poetry in Public. 5.20, Earthquakes. 5.45, Maths—Fourier Transforms. 6.10, M101/25 Modelling, pollution. 6.35, Asbestos—A Problem Product.
7.00, News, with sub-titles for hard of hearing.
7.05, World Chess: the Korchnoi-Karpov clash. Tonight Danish grandmaster Bent Larsen joins the regular commentary team of Jeremy James and Bill Hartston.
7.30, News and weather.
7.40, Expert Opinion: the subject is Northern Ireland. The speakers: Dr Cornelius O'Leary, Reader in Political Science, Queen's University; John Simpson, Lecturer in Economics, Queen's University, Dr John Oliver, former Permanent Secretary, Northern Ireland Office; Derek Brown of The Guardian.
8.10, Des O'Connor Tonight, his guests include Hank Garcia, a Mexican-American, said to be a master of the wry joke.
9.00, Premiere 2: Writer Frederic Raphael makes his directing debut with his own play, Something's Wrong. (See Personal Choice).
9.30, Discoveries: Nothing was heard of Handel's opera Julius Caesar, after its success in 1724. Now Winton Dean, Fellow of the British Academy, reconstructs the definitive score and we hear sequences from the opera.
10.20, Word for Word: Robert Robinson with a new series about spoken or written words. Martin Amis talks to his father, Kingsley, about his new novel, Jake's Thing.
10.50, The Price of Freedom: Interview with Francis Khoo Kah Siang, former senior advocate in Singapore's Supreme Court, who fled to England after clashing with the Lee Kwan Yew government.
11.05, News and weather.
11.20, Open Door: In Praise of Feminity: when demands for sex equality go too far.
11.50, Closedown: Charles Tomlinson's Tramonta at Lerici, read by Peter Barkworth.

THAMES

9.30 am, For Schools (until 12.00). 9.30, Finding Out. 9.47, How We Used to Live. 10.10, It's Your Future. 10.35, Writer's Workship. 11.05, My World: real life. 11.17, The Messengers. 11.39, Making a Living.
12.00, Paperplay: making musical instruments out of odds and ends.
12.10 pm, Hickory House: Puppet series, with games and stories (r).
12.30, At the Embankment: country style music from De Dannann.
1.00, News, with Peter Sissons.
1.20, Thames News: local roundup.
1.30, About Britain: the perambulating Clive Gunnell visits St Ives in Cornwall.
2.00, After Noon: *Mary Berry with some ideas for an autumn* supper party.
2.25, Film: Before Winter Comes (1968): Topol offers to help when Major David Niven establishes a camp for displaced people in Austria. With Anna Karina.
4.20, Clapperboard: Chris Kelly looks at the new films.
4.45, Enid Blyton's Famous Five: the mystery of the "butterfly farm."
5.15, Gambit: married couples in a prize quiz.
5.45, News.
6.00, Thames at Six: local news and views.
6.35, Crossroads: more about the motel.
7.00, Cooper—Just Like That! A lady is turned into a lion in this burlesqued magic show.
7.30, Coronation Street: a shock for Emily Bishop.
8.00, *Robin's Nest: comedy series about a restaurant.* With Richard O'Sullivan and Tessa Wyatt, and Tony Britton.
8.30, This England: Industrial Britain seen through the eyes of Jiri Borsky, a young Czech artist who fled his own country after the Russian invasion. He concentrates on the Potteries.
9.00, The Sandbaggers: part two in this new series about the British intelligence service (see Personal Choice).
10.00, News.
10.30, Film: The Best House in London (1969). What *will it be* for the fallen ladies of Victorian England—a brothel or a hostel? David Hemmings, George Sanders and Warren Mitchell in a comedy of sorts.
12.20 am, Close: Pictures of Finland, with music by Sibelius.

RADIO

Radio 4

6.00 am, News, weather.
6.10, Farming Week.
6.30, Today.
8.45, Antigua, Penny, Puce, by Robert Graves (1).
9.00, News.
9.05, Start the Week: Richard Baker.
10.00, News.
10.05, Wildlife.
10.30, Service.
10.45, Morning Story: Fiskill Street.
11.00, News.
11.05, The Road to Sullom Voe.
12.00, News. 12.02 pm, You and Yours.
12.27, Top of the Form: (2) West of England.
1.00, World at One.
1.30, The Archers.
1.45, Woman's Hour.
2.45, Listen with Mother.
3.00, News.
3.05, Play: Janus by John Kirkmorris.
4.35, Story: *Jane and Prudence* (6).
5.00, PM Reports.
5.40, Serendipity.
6.00, News.
6.30, Dr Finlay's Casebook.
7.00, News.
7.05, The Archers.
7.20, From Our Own Correspondent.
7.45, Play: China by Frederick Harrison.†
9.00, Welsh Voices (3): Kyffin Williams.
9.30, Kaleidoscope.
9.59, Weather.
10.00, The World Tonight.
10.30, Origins: Lost Villages.
11.00, A Book at Bedtime: Rogue Male (Geoffrey Household) (1).
11.15, Financial World.
11.30, News.
VHF: Regional news and weather at 6.50 am, 7.50, 12.55 pm and 5.55. Schools at 9.40 am, 10.45 and 2 pm.

Radio 3

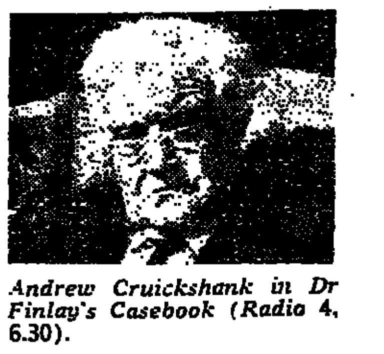
6.55 am, Weather.
7.00, News.
7.05, Overture: Mendelssohn, Schubert, Messager.†
8.00, News.
8.05, Concert: Vivaldi, Viotti, Rossini, Sullivan.
9.00, News.
9.05, Schubert.† and mono.
10.05 Berkeley, Ireland and Raynor Concert.†
10.40, Music of Latin America (3) ...
11.20, Roger Woodward, Piano: Scriabin, Meale, Debussy, Prokofiev.†
12.15 pm, Janet Baker and English Chamber Orchestra part 1: Schubert, Berlioz.†
1.00, News.
1.05, Concert part 2: Mozart.†
2.05, Organ Music at Gloucester Cathedral by Preston, Martin, Mulet.†
2.35, Matinee Musicale.†
3.35, Leeds International Piano Competition 1978.†
4.35, New Records of music by Elgar, Arnold.†
5.15, Bandstand.†
5.45, Homeward Bound.
6.05, News.
6.10, Homeward Bound.
6.30, Lifelines: Home and Family (7).
7.30, Scottish National Orchestra, part 1: Tchaikovsky, Zimmermann.†
8.10, Cubism and Reality: Kant v Nietzsche. (John Nash).
8.30, SNO part 2: Dvorak.†
9.20, Plainsong and Rise of European Music, Philippe de Monte.†
10.10, The Light was on Her Head: (Helen Waddell).†
11.15, Jazz, Bobby Wellins Quintet.†
11.45, News.
11.50, Schubert Song.
RADIO 3 VHF.—6.00—7.00 am and 6.05—7.30 pm, Open University.

Radio 2

5.00 am, News, weather. 5.02, Tony Brandon.† 7.32, Terry Wogan.† 10.02, Jimmy Young.† 12.15 pm, Waggoners' Walk. 12.30, Pete Murray's Open House.† 2.30, David Hamilton.† 4.30, Waggoners' Walk. 4.45, Sport. 4.47, John Dunn.† 6.45, Sports Desk. 7.02, BBC Northern Radio Orchestra.† 7.30, Alan Dell. 8.02, The Big Band Sound.† 9.02, Humphrey Lyttelton.† 9.55, Sport. 10.02, Pop Score. 10.30, Star Sound. 11.02, Brian Matthew. 12.00, News, weather.

Radio 1

5.00 am, As Radio 2. 7.02, Dave Lee Travis. 9.00, Simon Bates. 11.31, Paul Burnett. 2.00, Peter Powell. 4.31, Kid Jensen. 7.30, Alan Dell (joins Radio 2). 10.02, John Peel.† 12.00 am, As Radio 2.



Andrew Cruickshank in Dr Finlay's Casebook (Radio 4, 6.30).

RADIO 1: 1214kHz/247m. RADIO 2: *200kHz/1500m (Scotland 1484 kHz/202m).* RADIO 1 and 2 VHF: 88-91. RADIO 3: 647kHz/464m, VHF 90-92.5. RADIO 4: 1052kHz/285m, 908kHz/330m, 692kHz/434m, VHF 92-95.

REGIONAL TV

Scottish

9.30 am, Thames 12.30 pm, Farmhouse Kitchen. 1.00, Thames. 1.25, News. 1.30, Thames 5.15, Batfink. 5.20, Crossroads. 5.45, Thames. 6.00, Scotland Today. 6.25, Crime Desk. 6.30, Father Dear Father. 7.00, Thames. 10.30, Late Call. 10.35, The Detectives. 12.25 am, Close.

Anglia

9.30 am, Thames. 12.30 pm, First Steps in First Aid. 1.00, Thames. 1.25, News. 1.30, Thames. 2.00, Houseparty. 2.25, Film: Forgotten Lady. Peter Falk. 4.20, Thames. 5.15, University Challenge. 5.45, Thames. 6.00, About Anglia. 6.35, Thames. 10.30, Brian Connell Interviews. Sue Ryder. 11.00, Film: Creature from the Black Lagoon Richard Carlson, Julia Adams. 12.30 am, Reflection. Close.

Yorkshire

9.30 am, Thames. 12.30 pm, Farming. 1.00, Thames. 1.20, Calendar News. 1.30, Thames. 2.25, Family. 3.20, Heart to Heart. 3.50, Andy. 4.20, Thames. 5.15, University Challenge. 5.45, Thames. 6.00, Calendar. 6.35, Thames. 10.30, Pro-Celebrity Snooker. 11.15, Barnaby Jones. 12.10 am, Close.

Granada

9.30 am, Thames. 12.30 pm, Farmhouse Kitchen. 1.00, Thames. 1.20, Dodo. 1.30, Thames. 2.25, Film: Drop Dead, Darling. (Tony Curtis). 5.10, What's New. 5.15, Thames. 6.00, Granada Reports. 6.30, Father, dear Father. 7.00, Thames. 10.30, Film: Shivaree on Delancy Street. 12.25 am, Close.

ATV

9.30 am, Thames. 12.30 pm, Healthy Eating. 1.00, Thames. 1.20, ATV News. 1.30, Thames. 2.25, Film: Never Say Goodbye (Rock Hudson). 4.20, Thames. 5.15, In Search of ... Butch Cassidy. 5.45, Thames. 6.00, ATV Today. 6.35, Thames. 10.00, Thames. 10.30, Left, Right and Centre. 11.15, The New Avengers (r). 12.15 am, *Close.*

Ulster

9.30 am, Thames. 12.30 pm, Farmhouse Kitchen. 1.00, Thames. 1.20, Lunchtime. 1.30, Thames. 2.00, See You Monday. 2.30, Film: Tale of Two Cities. 4.18, News 4.20, Thames. 5.15, Cartoons. 5.20, Thames. 6.00, Reports. 6.35, Laverne and Shirley. 7.00, Thames. 10.30, Monday Night. *10.40, Photographs in Focus.* 11.10, In Search of.... 11.35, Bedtime. 11.45, Close.

Border

9.30 am, Thames. 12.30 pm, Gardening. 1.00, Thames. 1.20, Border News. 1.30, Thames. 2.00, Houseparty. 2.25, Film: A Walk in the Spring Rain: (Anthony Quinn, Ingrid Bergman). 4.20 Thames. 5.15, University Challenge. 5.45, Thames. 6.00, Lookaround Monday. 6.20, Cartoons. 6.35, Thames. 10.30, Pro-Celebrity Snooker. 11.15, Danger in Paradise. 12.10 am, Border News. 12.13, Close.

Channel

9.30 am, Thames. 1.18 pm, Channel News, What's On, weather. 1.30, Thames. 2.25, Film: New Dollar Day. 4.20, Thames. 5.15, University Challenge. 5.45, Thames. 6.00, Channel News, weather. 6.10, *The* Beachcombers. 6.35, Thames. 10.28, Channel News. 10.32, Film: The Curse of Frankenstein. 11.55, News in French. Close.

HTV

9.30 am, Thames. 12.30 pm, Farmhouse Kitchen. 1.00, Thames. 1.20, Report West. 1.30, Thames. 2.00, Houseparty. 2.25, Film: Gregory Peck and Win Min Than in The Purple Plain. 4.20, Thames. 5.15 pm, Undersea Adventures of Captain Nemo. 5.20, Thames. 6.00, Report West. 7.00, Thames. 10.35, Film: Stephen Boyd, Yvette Mimieux in Carnival of Thieves. 12.30 am, Weather and Close. HTV CYMRU/WALES.—As HTV West except: 10.10 am, Am Gymru. 1.20 pm, Penawdau Newyddion Y Dydd. 1.25, Report Wales. 2.00, Hamdden. 6.00, Y Dydd. 6.22, Report Wales. 8.30, Yr Wythnos. 10.00, News. HTV GENERAL SERVICE: As HTV West except: 10.10 am, Am Gymru. 1.25 pm, Report Wales. 6.22, Report Wales.

Tyne Tees

9.25 am The Good Word, news, weather. 9.30, Thames. 12.30 pm, In Search of ... Voodoo. 1.00, Thames. 1.20, News. Lookaround. weather. 1.30, Thames. 2.25, The Family. 3.20, Generation Scene. 3.35, Cartoons. 3.50, Lassie 4.20, Thames. 5.15, University Challenge. 5.45, Thames. *6.00, Northern Life. 6.30, Police Call.* 6.35, Thames. 10.30, Film: Tony Rome (Frank Sinatra and Jill St John). 12.30 am, Epilogue. 12.35, Close.

Southern

9.30 am, Thames. 12.30 pm, Farm. 1.00, Thames. 1.20, News, weather. 1.30, Thames. 2.00, Houseparty. 2.25, Film: Lydia (Merle Oberon, Joseph Cotten). 4.20, Thames. 5.15, Undersea Adventures of Captain Nemo. 5.20, Thames. 6.00, Day by Day. 7.00, Thames. 10.30, Afloat: Wizard of Oz. 11.00, News Extra. 11.10, Daily Mirror Golden Jubilee Speedway. 11.55, Police Surgeon: House Guest. 12.25 am, Weather, From Prison to Pulpit, Close.

Westward

9.30 am, Thames. 12.27 pm, Gus Honeybun's Birthdays. 12.30, Farmhouse Kitchen. Baking. 1.00, Thames. 1.20, News. 1.30, Thames. 2.25, Film: New Dollar Day. (Tony Curtis). 4.20, Thames. 5.15, University Challenge. 5.45, Thames. 6.00, Westward Diary, Sports. 6.35, Thames. 10.28, News, Weather. 10.30, Encounter: Ray Mawby. 11.00, Film: The Curse of Frankenstein. (Peter Cushing, Christopher Lee). 12.25 am, Faith for Life. 12.30, Close.

Grampian

9.25 am, First Thing. 9.30, Thames. 12.30 pm, Old House—New Home. 1.00, Thames. 1.20, News. 1.30, Thames. 2.25, Film: Countdown (James Caan, Joanna Moore). 4.20, Thames. 5.15, University Challenge. 5.45, Thames. 6.00, Grampian Today. 6.05, Laverne and Shirley. 6.35, Thames. 10.30, Reflections. 10.35, Film: Castle Keep (Burt Lancaster, Patrick O'Neal, Jean-Pierre Aumont). 12.25 am, News. 12.30, Close.

(continued on page 28)

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Deadlines for cancellations and alterations to copy (except for proofed advertisements) is 13.00 hrs prior to the day of publication. For Monday's issue the deadline is 12 noon Saturday. On all cancellations a Stop Number will be issued to the advertiser. On any subsequent queries regarding the cancellation, this Stop Number must be quoted.

PLEASE CHECK YOUR AD. We make every effort to avoid errors in advertisements. Each one is carefully checked and proof read. When thousands of advertisements are handled each day mistakes do occur and we ask therefore that you check your ad and, if you spot an error, report it to The Classified Queries department immediately by telephoning 01-837 1234 (Ext 7180). We regret that we cannot be responsible for more than one day's incorrect insertion *if you do not*.

". . . Let us now fear the Lord our God, that giveth rain . . . in his season: he reserveth unto us the appointed weeks of the harvest."—Jeremiah 5: 24.

BIRTHS

BUCKNALL.—On September 22nd, 1978, in Johannesburg to Kathleen (née Young) and Richard—a son (James Andrew Stafford).

COLONNA DI STRIGLIANO.—*On* Sept. 23rd at St. Mary's, Paddington (Lindo Wing) to Annabel (née Sykes) and Fabio—a daughter.

FLEWITT.—On September 21, to Liz and Flight-Lieutenant Alan Flewitt—a son (Gordon Charles), brother for Alexandra.

JAMES.—*On 18th September* at Cambridge to Judy (née Elsey), wife of Brian James—a son (Edmund Thurstan), a brother for Matthew, Hugo and Christian.

SAVAGE.—In New York on Sept. 5, to Ann (née Freeman) and Neve—a daughter (Megan Claire), sister for Sarah-Jane.

STREET.—*On 22nd September* to Sue (née Galeski) and Richard Street—a beautiful daughter (Rebecca Amy), sister for Robin.

BIRTHS

SWARBRICK.—On September 21st at Mill Road Maternity Hospital, Cambridge, to Louise (née Hopewell) and Andy—a son (James Matthew).

TILLIE.—On September 24th at St. Teresa's Hospital, Wimbledon, to Sarah (née West-Russell) and Colin—a daughter.

TURNBULL.—On September 22nd at the Lindo Wing to Beverly and Ben—a daughter (Zoe).

TWISLETON-WYKEHAM - *FIENNES*.—On Sept 21st, Jo Rosalie and Michael, another lovely son (Ivo), brother for Rupert, Hugo and *Joshua*.

WATSON.—On 21st Sept in Royal Berks, Reading to Ann (née Bolton King) and Dacre—a second daughter.

WHITWORTH.—On 21st September at Southmead Hospital, Bristol, to Rebecca and Robert—a son (Hugh Charles).

MARRIAGES

AGNEW : OHLSON.—*On September* 23rd at St Michael's Church, Chiswick, Timothy, elder son of Mr and Mrs M. H. Agnew, of Slough, Berks., to Christine Rose, only daughter of Sir Eric and Lady Ohlson, of Scarborough, Yorks.

DEATHS

BAZLEY-WHITE.—On September 23rd, 1978, *peacefully* at the home of her daughter, the Hon. Mrs Mary Isabel Bazley-White, of Porters Farm, Wyck Rissington, Gloucestershire. Much loved mother, grandmother and great grandmother. Cremation private. Service at St. Laurence's Church, Wyck Rissington, on *September 30th at 12 noon.*

BLACK.—On September 21st, 1978, suddenly, Roy, aged 62 years, formerly of Brindley Brae, Kinver. Funeral service Wednesday, September 27th, 11.45 a.m., St Peter's Church, Kinver followed by private cremation at Stourbridge Crematorium. Family flowers only please, but donations for the British Heart Foundation will be accepted in lieu by H. Porter & Son, 50 South Rd., Stourbridge.

CALLANDER.—On Sept. 21st, 1978, Thomas Edward Callander, F.L.A., formerly Chief Librarian, Croydon Public Libraries and a past-president of the Library Association, much loved husband of Doris and dear father of Susan and Jane. By his wish, funeral to be attended by his family only. *No flowers please*.

CHILD, H. A. T.—On September 19th, 1978, Hu, husband of Lois, of Skiveralls House, Chalford Hill, Stroud, Glos. Cremation has taken place.

EUSTACE.—On 23rd Sept., 1978, Rosemary Anne (née Goodman), wife of William Eardley Eustace.

***FORRES*.**—*On* September 22nd, 1978, John Archibald Harford Williamson, third Baron Forres of Glenogil, peacefully at his home in Scotland. Dearly loved *father of Alastair, Juliet* and Astrid, and loved brother of Jean. Funeral at Tannadice Parish Church, Angus, at 3 p.m. Thursday, September 28th. All friends welcome. Family flowers only: no letters, please.

FOX, D. G. A.—On September 23rd, 1978, at Cowlin House, in *his 86th year, Douglas Gerard* Arthur Fox, O.B.E., D.Mus., son *of Gerard Elsey* and Edith Makinson Fox and brother of Winifred. *Dearly* loved. Family flowers only but *donations if wished* to Musicians Benevolent Fund, 16 Ogle Street, London, W.1. Memorial service in Clifton College Chapel to be announced later.

GLASS, PROF. DAVID V. GLASS.—Suddenly on September 23rd at University College Hospital. *Beloved husband of Ruth Glass*; much loved father, father-in-law and grandfather of Helen and John Duane, Robert Glass, Zachary and Eli Duane. Cremation details later.

HARVEY.—On 22nd of September peacefully at the Royal United Hospital, Bath, May, precious *wife of Wilfred Harvey*, of the *Chase View*, Winsley, Wilts. and mother of Eric and Betty, and the late Dr. Geoffrey Harvey. Funeral private. Family flowers only, please.

HILLIARD-BRENDAN, JOSEPH (Ben).—Suddenly at St. Stephens Hospital, London, on September 21st. *Deeply regretted* by his brother, sister-in-law, nephews and friends. Funeral private: no flowers by request. Arrangements later. R.I.P.

HOBBS.—Suddenly, in hospital, on September 22nd, after a long illness courageously borne, and fruitfully used, Jean, beloved wife of Henry and mother of Jennifer, Bridget and Charlotte. Cremation private.

JONES.—Peacefully at Manor Park Hospital, Bristol, on September 23rd in her *92nd year, Elsie* Mabel, widow of Walwyn and mother of the late Flying Officer Ronald Jones, one-time Scholar of the Redmaids School and a teacher for many years at Kingswood and Mangots-Field. Reunited at last with those she loved so dearly.

JOSEPH, LOUIS. *peacefully* at Middlesex Hospital on September 21st, after brief illness. Funeral at Golders Green Crematorium, September 26th at 1.50 pm. Flowers to Kenyons, 132-136 Freston Rd., W.10, by 11 a.m. Louis will be sadly missed.

MACKIE.—On Sept. 22nd John *Duncan* Mackie, C.B.E., M.C., LL.D., peacefully in his sleep at Haslemere, beloved of Eella, Alastair and James and husband of the late Cecily Jean Paterson. Funeral Friday, 29th Sept., 12 noon, at Grays Wood Parish Church.

NUTTALL.—On Thursday 21, September, 1978, suddenly at Alastraen House, Scotland, Group Captain Fe Nuttall, C.B.E., D.L., husband of Joy. Cremation private, no flowers. Memorial service at the Royal Air Force College, Cranwell, at a future date to be announced.

PARRY.—On September 22nd suddenly in hospital, Ann, beloved wife of Howard and loving mother of Caroline. Service at St. Mary's, Ewell, at 2 p.m. on September 27th. Donations to British Heart Foundation.

PEMBERTON.—On September 21st peacefully at Southwold Cottage Hospital, Alfred, much loved husband of Betty. Funeral service Wednesday, 27th September. Flowers to 1, Ashford, High Street, Saxmundham, Suffolk.

DEATHS

RATCLIFF.—*On* Sept. 21st, 1978, John Cooper, M.A., F.C.A., at home in London, aged 40. Much-loved by wife, Yvonne, son David and father Wilson. Cremation strictly private. Memorial Service will be held in London and Leeds for family and friends. Details to be announced later. *Please no flowers; if desired* donations to Old Sedbergian Trust Fund, c/o Mr. O. M. Forster, Tower Cottage, Sedbergh, Cumbria.

THOMSON.—On September 22nd, 1978, Norman, very much loved husband of Dulcie and dear father of Bill and grandfather of *Lucinda, peacefully at the Nuffield Nursing Home*, Shrewsbury. Funeral 1 p.m. Wednesday, September 27th, at Ruyton of the Eleven Towns Parish Church. No flowers and no letters, please. Donations, if desired, to Ruyton Church.

MEMORIAL SERVICES

BENTLEY.—A celebration of the life of Nicolas Bentley will be held at St. Paul's Church, Covent Garden, on Tuesday, Sept. 26th at 12 noon.

CAMPBELL.—A memorial service will be held for Hugh Campbell on Friday, 29th September at 3.30 p.m. at Battle Parish Church, Battle, Sussex.

EDMEADES.—A service of thanksgiving for the life of Col. A. W. Edmeades, M.B.E., late Royal Artillery, will be *held at St.* Mary's Church, Souldern, Bicester on Friday, 6th October at 2.30 p.m.

MURRAY.—The memorial service for Gerald Murray, *will be held* at Marlborough College Chapel on Tuesday, 26th September, 1978, at 5.30 pm.

IN MEMORIAM

COBLEY.—In grateful memory of *Richard and Catherine on their* wedding day, 25th Sept., 1878.

GALLOP, RODNEY ALEXANDER, C.M.G., H.M. Diplomatic Service, died 25th September, 1948. In ever-loving memory.—Marjorie, Nigel and Christopher.

WORSLEY.—In loving memory of Mary Ellen Worsley, of Rishton, Lancashire, who died on 25th September, 1964.—R.W.

FUNERAL ARRANGEMENTS

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YOU ARE WELCOME TO VIEW *our*

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ANNOUNCEMENTS

***BARGAIN PRICE** Maisonette*, Queensgate, S.W.7.—See Flats.

41 YESTERDAY? How valid is astrology? I would like to meet anyone born, like me, early evening in Manchester on September

DREAM. Fulfilment for four overseas business exec. See Rentals.

CHARMING s/c. cottages, N. Devon. See U.K. Hols.

MICHAEL MURDOCK—speak to his sister.—See Motors Column.

GENERAL PUBLISHERS require Junior Editorial Assistant.—*Details "Stepping Stones"*.

SELF-DRIVE CAR HIRE Business for sale.—See Com. & Bus.

MACHINE OPERATOR for Rank 800.—"Tempting Times" today!

ARCHITECT DESIGNED detached house.—See London Rentals.

SQUASH RACKETS Association. P.A. Sec. "*Sec. Appointments*" now!

BALLINGER.—If PENELOPE ANNE BALLINGER, niece of The Late FABIAN HARRY WALLIS and her husband Major R. G. BALLINGER will contact Bird and Bird, Solicitors, 2 Gray's Inn Square, London WC1R 5AF, reference 1, KM, tel. 01-242 6681, they will learn something to their advantage.

ANDREW GRIMA jewellery and objects d'art wanted.—See Wanted.

£2.50 P.H. neg. Part-time Book-keeper.—See Part-time Vacs.

ALGARVE, PORTUGAL.—LAND FOR SALE.—See Overseas Prop.

PATRICK.—Shall I see you in one week's time?—Love, Kate.

CHEMISTRY AND BIOLOGY Tutors required London.—See Pub. & Ed.

ONLY UNIVERSITY CAMPUS overlooking sea.—See Conference Guide.

SWISS SKI LODGE for sale.—See *Overseas Prop.*

MAYFAIR.—Chairman requires General Assistant.—See Secretarial Vacancies.

AUCTION OF VICTORIANA incl. Dolls, Toys, Games, Photographs & Textiles. Entries accepted now.—Bonhams Auctioneers, Montpelier Street, Knightsbridge, *London*, S.W.7. *Tel. Mr. Furniss*, 01-584 9161.

COPY AUDIO TYPIST—Barristers' Chambers.—See Secretarial Vacs.

ROYAL SPA CENTRE.—See Guide to Conference Facilities.

HECTIC RECORD COMPANY. Audio Secretary "Secretarial Appointments."

CORRESPONDENCE is invited from Senior Secretaries. Please see Secretarial Vacancies for details.

MOURNING another lost year and not wishing to celebrate incipient dotage. Guy Pierce wishes to inform relatives, friends and associates that this birthday, his 36th, is the last he recognizes as such—G.P.

HAY FEVER, cigarette smoke, etc. Relief now possible.—See Services.

SALTDEAN, nr. Brighton.—3-bed. house. (*See Rentals*).

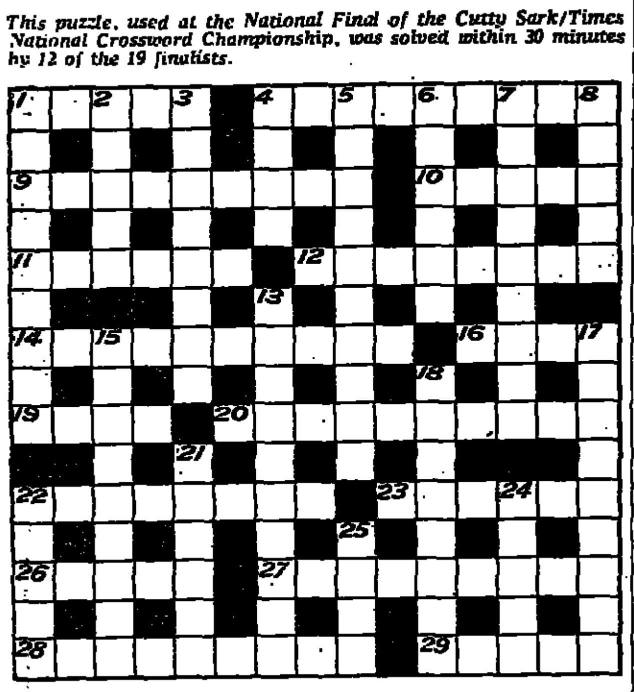
IRANIAN STUDENT requires accom. with English-speaking family. See Rentals.

TENDER for Benso Palm Oil Project. See Bus. Opps.

EXPERIENCED NANNY for Jeddah, Saudi Arabia. See Dom. and Cat.

The Times Crossword Puzzle No 15,013

This puzzle, used at the National Final of the Cutty Sark/Times National Crossword Championship, was solved within 30 minutes by 12 of the 19 finalists.



ACROSS

1 Excited cry revellers make with ease, *we hear* (5).
4 Prince hit with renal disorder (9).
9 Victory fashion, neat and trim (9).
10 Disapproval voiced on subject of *prohibition* (5).
11 River scene for armadilloes? Just so (6).
12 M for *Murder*? Try the penultimate letter, sister, for Separation (8).
14 *Little shoemaker makes us* reel with a punch (10).
16 Hold a strong one? (4).
19 *But it did not mean no play* by Somerset (4).
20 Too early for the big time *(5, 5).*
22 Home of the amphibian Jehu (4, 4).
23 *Shade shown by one in* anger (6).
26 Lady Ringleader backed as W W's mount (5).
27 Give up about a month in France for rest (9).
28 Equine accessory of a knight bachelor, say? (9).
29 Treacherous type in EEC exchange control (5).

DOWN

1 Festive drinker takes eau de Cologne without trouble (9).
2 Authoress? Yes, in two languages (5).
3 An easy victim after the offensive? (4-4).
4 Dinah's row with him (4).
5 How we worshipped without a clergyman ere now (10).
6 One in a red shirt. What's licentious in that? (6).
7 New sort of 6 outfit (9).
8 Battle of Baguio (5).
13 I'm taken in by crafty blighter—a trick (7-3).
15 He loves seeing the plain herd stampede (9).
17 Old mount for a potential thunder-god (9).
18 Many a rogue picked by the 11th Hussars (8).
21 It makes cayenne hotter than it sounds (6).
22 Sounds like a bull ring (5).
24 Land in 12's opening (5).
25 Pirate's reply to "Who goes there?" (4).

Solution of Puzzle No 15,012

هكذا من الأصل

PERSONAL COLUMNS

ALSO ON PAGES 26 and 27

ANNOUNCEMENTS

CANCER RESEARCH CAMPAIGN

is the largest single supporter in the U.K. of research into all forms of cancer. Help us to conquer cancer with a legacy donation or "in memoriam" donation to
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ANNUAL FINANCIAL REVIEW

Employment fight lost

id Blake

rs since 1973 have he years of the tion of Petroleum g Countries (Opec). act of the increase prices on inflation put has dominated nomic progress of ustrial nations; at e time the huge pluses have exerted l effect on world markets. Those e coming to an end.

the International y Fund meets in ton it is clear that blems which the in- world faces are no caused primarily by ease in oil prices. they come from the difficulties in strial countries, and e lack of any clear nt on how to tackle ndeed, there seems lack of agreement the problems are.

nost striking charac- of the world is that high infla- d rising unemploy- exist and both seem, ing, to be getting worse. The inflation bout 8 per cent, but lowly, with serious ary problems g apparent in the States.

in Europe, the suc- of 1977 and earlier bringing down the rate seem to have of steam. In the ere seemed to be a which prevented the rate in the d industrial coun- ing much above 3 or cent; now there o be a barrier pre- it falling below 7 or nt.

is no reason to that there is any- magical about this in- rate which means can never be low- but getting back to lation rates of the and 1960s is a far more difficult job than once appeared. It is not simply a matter of getting the inflationary impact of oil prices over with, and then reverting to normal rates of increases in prices. The real price of oil has been falling this year, yet inflationary pressures are building up.

With the possible exception of the United States, these pressures cannot possibly be blamed on the traditional cause of too much demand chasing too little supply. There is substantial excess capacity everywhere, with some industries facing classic crisis conditions. Overall, the seven largest industrial nations (the United States, West Germany, Japan, France, Italy, Britain, and Canada) had about 10 per cent surplus capacity in the first half of this year. If the United States is excluded, the remaining six countries had 15 per cent surplus capacity.

Nothing happening in the world economy at present is tending to reduce the spare capacity. Growth in the past two years has been patchy and uneven, with an average rate of about 3½ per cent. This compares with the 4½ per cent needed just to maintain the level of capacity use and unemployment at a stable level, and the 5½ per cent or so which is the official target that Western countries adopted in 1976 as their strategy to move back towards full employment.

The abandonment of the idea that governments can organize a return to full employment in the foreseeable future is perhaps the most significant development to have emerged during 1978. Neither governments nor international bodies now advocate trying to achieve a growth rate fast enough to bring unemployment down; the optimists still hope that they can prevent it from going up by very much during 1979. At present there are about 17 million unemployed in the 24 industrial nations who make up the Organization for Economic Cooperation and Development (OECD), and the number is likely to grow.

When the recession of 1975 produced mass unemployment for the first time since the war, it was seen as a temporary problem flowing from the oil crisis. The events of the first part of 1976 seemed to confirm that view, since output grew rapidly in response to government action to stimulate demand. Many people still believe that if those policies had been pursued the improvement in output would have continued.

That point has to remain one of the great hypothetical questions of the world economy, for by the middle of 1976 there was a change of course, with some countries such as West Germany choosing to put the fight against inflation first, and others such as Britain being forced to do so. Since then, the overall stance of governments has, in terms of traditional Keynesian economics, tended to be restrictive in most countries, apart from the United States.

The switch in policy produced strains in relations between those countries traditionally regarded as "strong" and the weaker nations, differences which erupted at last year's fund meeting in Washington. The United States wanted to press on with a policy of expanding world demand through stimulatory action by the three most important "strong" countries—United States, Germany and Japan.

This "locomotive theory" was vigorously contested by both the Germans and the Japanese on two counts. First, they disputed the very idea that there were some strong countries in the world which could afford to concentrate on expanding output at the expense of a slightly worse performance on inflation. Second, they argued that the constant pressure by other countries on them to do more to expand their economies was having the exact opposite effect to that desired. The constant talk of further action, they argued, was generating uncertainty and leading businessmen to postpone much-needed investment.

The debate between the strong and the weak countries has, for all practical purposes, come to an end, with the position adopted by the Germans and the Japanese winning out. At the Bonn economic summit in July there were, it is true, promises by both countries to give a little extra stimulus to their economies. But even on optimistic assessments of the likely result, growth in these countries is certainly not going to be a driving force for the rest of the world during 1979.

Indeed, the very idea that demand can pull the world out of recession seems to have been abandoned.

There can be no doubt that the weakness of the dollar, and the consequent weakness of the United States position in its dealings with other countries, has been a major cause of this change in thinking. In essence, the United States decided not to push the Germans to expand their economy, in return for the Germans agreeing not to complain too loudly about the decline in the value of the dollar. That unspoken agreement has not stopped the dollar's fall being one of the most discussed topics in the financial community over the past year, but it has at least prevented the discussions taking the form of a public row between governments.

Whether this absence of public disagreement has done any good is open to doubt. There is little sign that real confidence in the prospect of world recovery has grown, and equally little sign that within the industrial nations the disparities in payments performance are close to being resolved.

During 1978 the total surplus of the Opec countries is likely to be less than half of the combined surplus of the surplus nations. The United States deficit will be well over $20,000m. New studies prepared by the OECD for the fund meeting may show that the payments disparities are not quite as was feared in the summer, but they remain large.

While those disparities remain there is little prospect of the countries which want to expand demand being able to do so, because of fears about the strains this will impose on their own balance of payments. And while countries faced with rising unemployment are unable to try to expand their economies, there can be no doubt that the pressures to introduce protectionism to save jobs and help the payments balance will grow. The amount of trade affected by import restraints continues to rise, and indirect forms of protection, such as special measures to help individual industries, are spreading rapidly.

In theory at least, the industrial nations are committed to cutting back on these measures under a programme known as the pursuit of Positive Adjustment Policies, or PAP as it is known from its initials. In practice, the agreement to do this exists only on paper. Those countries which are large exporters want to see restraints to their sales removed; those countries whose industries are weak have no intention of making them weaker by opening them up to renewed competition in a world where there is a shortage of markets, not of goods.

A new normality has been created in the world economy, in which unemployment in industrial countries at levels never before experienced in the postwar era seems inevitable for years to come. Whether that normality can survive, or whether it will lead to a new spiral downwards, is something which we are likely to discover in the remaining years of this decade.

The author is Economics Correspondent, The Times.

Lars Hokanson

ON OTHER PAGES

The Annual Financial Review is published to coincide with the opening of the joint meeting of the International Monetary Fund and the World Bank in Washington

Trade

Sands run faster as experts struggle over international agreement

by Melvyn Westlake

Time is rapidly running out for the trade experts and government officials who for five years have been negotiating in Geneva on behalf of *100 nations in an attempt to* establish new international trading rules.

Failure to hammer out an agreement this year could open the flood gates to the rising tide of trade protectionism that has accompanied the past four years of economic recession in most of the main industrialized nations.

The negotiators have a little more than three months to conclude the deal that has defied them since September, 1973 when the "Tokyo round" of world trade talks was formally launched in *Japan under the auspices* of the Geneva-based General Agreement on Tariffs and Trade (Gatt). The deadline for agreement, July 15 this year, came and went with very little achieved.

But a real deadline is looming up. This is imposed by the United States Congress and the workings of the American legislative system. This gives the Geneva negotiators until the end of *the year to come up* with a deal, otherwise the Tokyo round is dead. Instead of further cuts in "border" taxes, like import tariffs, and a new set of codes and rules designed to govern international trade in the 1980s, the world will watch as the present system continues to disintegrate.

However, *the threat posed* to the international economy by creeping protectionism *has provoked one positive* response. In June when the "trade pledge" was signed again by the two-dozen members of the Organization for Economic Cooperation and Development (OECD) which groups together the world's most developed nations. This *pledge, first signed* in 1974 in the wake of the oil crisis, has been endorsed annually for five years. It binds OECD members not to restrict imports or unfairly promote their exports. The chances of it being signed in 1979 are slim.

This is because, if the world trade talks in Geneva are successful, the OECD pledge should become redundant. If they are unsuccessful, then many countries are likely to find themselves unable to resist domestic pressures for import controls, and the pledge would be worthless.

Even the existence of the pledge has not prevented some countries resorting to restrictive trade practices *over the past two or three* years. According to the International Monetary Fund in Washington, which monitors changes in trade practices, the industrialized nations increased their use of protective measures during 1977 and early 1978.

Anti-dumping and countervailing duties were imposed on imports as a means of restricting the amount of foreign made goods entering the home markets of some industrialized nations. Quotas on imports were also used.

In a recent survey of such *measures, the IMF singled* out the quota limits imposed by the European Economic Community on textiles; by the United Kingdom on television sets and clothing; by the United States on steel and by Canada on textiles and shoes. The survey also referred to the growing number of countries which were delaying payment for imports, describing *this* as a "particularly disturbing feature" *of the commercial* scene. Towards the end of 1977 and early this year, Turkey, Sudan, Jamaica, Ghana and Guyana fell behind on *their* import payments, while the situation in Zambia and Zaire, already in arrears on their payments, became worse.

Calculations some months ago suggested that about 5 *per cent of world trade* was now covered by various restrictions affecting products worth $50,000m. The proportion is certainly bigger today. *To what extent* this has depressed world trading is unknown because the slump in production in Europe and Japan has also *reduced the growth* of the volume of trade.

But the increase in world trade this year is expected to be no higher than 5 per cent, and in 1979 the position is unlikely to improve. This means that the annual rate of growth in both total world trade and manufacturing trade between 1975 and 1979 will have been only about 4 per cent, compared with an annual growth rate *of almost 10 per cent in the* preceding five years.

The danger is that a wide-spread use of trade restrictions could further deflate the world economy and increase unemployment. This may depend on what other economic policies are being *pursued at the same time*. Indeed, some economists in Britain argue that import controls could help to increase output and employment if they are *accompanied* by expansionary, budgetary and monetary policies at home. Many governments, however, *in* the Western world are reluctant to stimulate their economies for fear of pushing up the level of inflation.

In this case, "beggar-my-neighbour" trade protection measures can lead only to silent factories and lengthening dole queues. This will ultimately defeat the initial purpose of import controls, which is usually to prop up employment in ailing domestic industries that cannot compete with imported goods.

The problem is that the employment that is preserved by protective measures, against, for example, the developing countries, is offset by the loss of employment in industries that export to these countries. As the World Bank observed in a recent report, the size of the developing countries' import market is not widely recognized. The total exports of the industrialized countries *amounted* to about $550,000m in 1975, and about a quarter of this was purchased by the developing countries. Exports from the industrialized nations to developing nations amounted to $123,000m; the reverse flow was only $26,000m.

Thus, limitations on imports from developing countries can be self-defeating because they put at risk much larger flows of exports in the reverse direction. This is why there is so much anxiety lest the world trade talks in Geneva should fail. A successful deal there would mean that many unfair trade practices would be outlawed. *If countries did need* to impose controls, for example, they would be strictly supervised and monitored. Moreover, they would have to be temporary, then phased out as quickly as possible.

Yet even then it seems likely that the new trade rules and codes would be adhered to only if the industrialized nations were able to return to the high rates of economic growth *achieved in the 1960s. Unless* that happens unemployment, which already amounts to more than 17 million in the member countries of the *OECD, will* go on rising.

This will lead to demands for import protection even if it only ultimately exacerbates the problem. The interrelationship of the growth and protectionist issues was fully acknowledged by leaders of the industrialized *world at the seven-power* economic summit in Bonn. There they committed themselves both to trying to raise their countries' economic growth rates and to doing their best to secure a worthwhile agreement on a new trading system.

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A boost for the poor in economic growth

Against large odds, the developing countries have weathered the economic recession *that has plagued much of the* industrialized world during the middle 1970s. Hit by harvest failures, the oil price increase and harsh trading conditions, the globe's poor southern nations, as a group, have adjusted more rapidly than expected to potentially deeply injurious economic events.

Indeed, collectively, they have achieved a more rapid economic growth than their rich northern neighbours in three of the past four years. While the latter countries found their expansion limited to an average 3½ per cent in 1977, the non oil-exporting Third World nations raised their output of goods and services by an average 4.7 per cent.

But, if setbacks have been overcome with greater facility than seemed likely, it has not been without cost. Even a relatively small decline in the growth rates of developing countries disrupts the pace at which *poverty is reduced. Government spending* programmes, aimed at helping the poorest groups have been curtailed, especially in the hard-pressed developing countries that have done less well than the average in the Third World. At the same time, the prices *of many commodities* exported by the economically weak countries of the south have fallen, while world inflation has driven up the cost of capital imports necessary for their further development.

In spite of this, and the recession in international trade, *the developing* countries have progressively cut back the huge deficit on their overseas trade accounts, which burgeoned after the quintupling of the oil price. Their collective current account deficit in 1977 was down to $22,100m, after having increased more than threefold between 1973 and 1975, from $11,300m to $37,300m.

However, all the signs suggest that this trend is now being reversed. According to forecasts made by the International Monetary Fund, the current account deficit of the non oil-exporting nations of the Third World will be back up to $30,000m this year, and the prospect for 1979 *is even worse*. This need not be too serious if the deficits can be financed with cash from the industrialized nations.

The problem is getting the cash to pay for these resources. This may be possible this year. The World Bank estimated in its recent annual report that foreign aid and other capital flows from the rich nations might be adequate to finance a $30,000m Third World deficit without visible strain. But if there is to be a continuing rapid growth in the level of imports, it is clear that the *developing countries will* have to step up their exports to pay for them.

It is here that dark clouds are beginning to gather ominously. The export performance of many developing countries is proving remarkably strong, but this very success is, to some extent, the cause of the problem. Unbeatable competition from Third World nations in many industries has led to increasingly restrictive measures by the industrialized countries to protect domestic employment.

Last year the dollar value of world trade increased by about 13 per cent (5 per cent by volume), while the value of exports from the developing countries (excluding the wealthier oil exporters) rose by about 14 per cent. The poorest Third World nations did particularly well, boosting their exports by 22 per cent, while the more advanced developing states did less well, increasing the value of the goods they sold abroad by 10 per cent.

The fairly consistent rise in their exports suggests, as the World Bank observes, that the competitiveness of *the developing countries'* traded products is not a transistory phenomenon but is one that is likely to continue, barring the spread of trade barriers. If trade protectionism were held at bay, the prospect for further rapid economic growth in the developing countries as a whole appears to be quite good.

A new medium-term study (covering the period between now and 1985) undertaken by the World Bank has concluded that the more rapidly-growing developing countries are likely *to maintain the* pace of their economic expansion, while even the slower-growing states can be expected to raise their rate of output.

However, economic growth is not enough on its own to deal with many of the social and economic difficulties that confront Third World countries. In particular, agricultural production remains barely ahead of the rise in population. In spite *of the gains in farm productivity* brought about by improved agricultural practices, food production is still largely hostage to the vagaries of the weather.

Food scarcity remains the most explosive of all the difficulties. In spite of the *increase in cereals production* since the food crisis of four years ago, and the recovery in the level of stocks, the problem of feeding the vast numbers of people in the poorest countries remains acute. The Food and Agriculture Organization estimates *that world food production*, which is dominated by the output of grains, expanded by about 3 per cent in 1975 and 1976, but by only 1.4 per cent in 1977.

Production in the developing countries themselves was up just 2 per cent last year. But this was largely the result of the 4 per cent increase registered in India. Middle Eastern and African food production did not rise at all from 1976 levels, and *in Latin America there* was a rise of only 1 per cent.

Thus food production per head has declined in all *developing regions except for* Asia, and the situation in Africa is particularly worrying. According to the FAO the index of output per head in 1977 was some 10 per cent below the level of 1961-65.

Some estimates suggest that by 1990 the food deficit of developing countries could rise to between 120 million and 145 million tons, or at least 80 million tons more *than in 1975*. This *projected* deficit is likely to be reduced only about 10 per cent by new rural a
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United States: Economy

Bleak prospect of sharp recession threatens electorate

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o is most unlikely, Administration hopes threat of such action luence the Senate to a Bill that is more liking of the White It appears likely final Bill approved Congress and signed resident will involve modest cuts in capital gains rates worth about $1,600m in revenues, as well as *increases in business investment* tax credits, reductions in the rate of corporation tax and moderate cuts in income tax levels.

It is probable that the global total of the tax cuts will be about $18,000m. This level of reduction, combined with efforts by the authorities to trim public spending, will in sum result in fiscal policy turning modestly restrictive over the next year.

Monetary policy is also likely to become somewhat more restrictive. It is already evident that the present level of short-term interest rates, which in the first seven months of this year were about 2 per cent on average above levels in the comparative 1977 period, are starting now to damp general demand.

The most important single factor likely to reduce demand in coming months is the high rate of inflation, which in the first eight *months of this year was running* at an annual rate of about 9 per cent. Inflation*ary pressures in the next few* months may abate modestly, leaving an overall rate for 1978 of close to 8 per cent.

The decline in real business and personal incomes produced by continuing high inflation together with increased taxes, will probably produce a substantial slowing in consumer and business demand. Some economists predict that this could lead to a *mini-recession*. Argus Research in New York, for example, expects real gnp in *the final* 1978 quarter to be 0.1 per cent, then to fall by 2.6 per cent and by 1.6 per *cent respectively in the first* and second quarters of next year.

Economists at Citibank, by contrast, expect the decline in real growth to be less dramatic and they are forecasting real gnp for the next 12 months at about 2 per cent. Unlike Argus, however, the Citibank economists believe the economy will con*tinue on a slow track* well into 1980. The Argus forecast calls for an upswing in *growth in the second half* of next year with a final 1979 quarter rate of no less than 5.2 per cent.

My own view is somewhat more pessimistic than the conventional forecasts of today. Levels of business capacity are about 85 per cent, but this figure tends to overstate the degree of slack available, as much of the capacity measured in the statistics has been rendered obsolete for technological or environmental reasons.

In addition, the supply of skilled labour available is far less than the 6.2 per cent national unemployment rate suggests. This rate is to no small extent the product of vast numbers of unskilled women and teenagers joining the labour force. The *unemployment* rate for adult men is just over 4 per cent, which historically is only slightly above what has *long* been considered in America as the full employment level.

The rate of new business capital and equipment investment has long been too slow and, given the present capacity and labour tightness, there is a grave danger of production bottlenecks arising and releasing fresh inflationary pressures. In addition, the unions are in a mili*tant mood and more inflation*ary pressures may be set free by settlements reached next year in three important contracts concerning lorry drivers, car and construction workers.

It seems probable that over the next six months the economy will respond in most moderate fashion to the combined effects of more restrictive fiscal and monetary *policies* and the inflationary erosion of real incomes, while the rate of in*flation itself continues to* move slowly upward.

Over time, perhaps by next summer, the inflationary pressures may become so great that the economy dives into a recession. The extent of the recession will be determined by the gov*ernmental response to the* economy's sluggish growth and high inflation in the *first half of* 1979. In all probability the response will primarily be one of much tighter Fed policies and the reaction may not be too unlike that seen in late 1974—a sharp recession.

The recession will probably be less grave than that *seen earlier this decade* because there is little prospect of the economy being dealt *a blow of similar magnitude* to the quadrupling of oil prices seen in late 1973. It cannot be ruled out, however, that the White House will become so frustrated at the failures of anti-inflation policies that by mid-1979 it strives to enforce some wage and price control system and that such action will in the short term add to the downward pressures on the economy's growth rate.

Given the rates of inflation and industrial use of capacity a *slow-down in the* economy's growth level is probably to be welcomed. Alas, it may result in foolish governmental actions, such as wage and price controls, and the mistakes of the past in similar situations will probably be repeated.

The election year is 1980 and if the economy looks like being in deep trouble late next year the response may well be one of boldly changing policies and attempting to stimulate growth through all manner of fiscal and monetary measures. Such election-motivated actions will probably serve to prolong American economic instability. The prospect for the economy is bleak.

The author is US Economics Correspondent, The Times.

United States: Monetary policy

Nervous markets demand tightening of controls by Fed leaders

Monetary policy in the United States has been overly expansive for several years, *fuelling inflation* and undoubtedly damaging financial markets. The words of Fed*eral Reserve Board* leaders have rarely matched the Fed's actual performance, *with calls for tighter control* on money supply growth being followed by modest *actions*.

This was as true when Dr Arthur Burns ruled the Fed *with an iron fist as it is* today under the leadership of Mr William Miller. All the *same there can be little* doubt that the departure from the Fed last March of Dr Burns has tended to increase anxieties about the future course the central bank will follow.

Dr Burns in the past few years emerged as the champion of American capitalists in Washington. He never missed a chance to rebuke Congress and the White House for *failing* to clamp down on public spending and for taking actions, such as *increases in the minimum* wage, that added to inflationary pressures.

Dr Burns was a staunch opponent of wage and price controls and an ardent advocate of policies that promoted business investment. He argued that it was impossible for the Fed to maintain its independence if it took actions that directly countered the will of Con*gress and the Administration*. This was his excuse for failing to promote tight money *policies at a time when elec*ted politicians were backing expansionist fiscal policies. At best, he suggested, the Fed could "lean against the wind" and survive by following policies of moderate money growth.

Dr Burns was deeply fearful that resentment of tight money policies by the public and Congress would result in *political actions* that would strip the Fed of its independence, reduce the Fed to the *status of merely another* agency fully-controlled by elected politicians and lead *inevitably to still faster* rates of money growth. He asserted that it was no co*incidence that those nations* with central banks free of direct political control, such as West Germany and Switzerland, also had the lowest inflation rates.

To dwell on the views of Dr Burns today is to underline the change that has taken place since Mr Miller assumed power. The new Fed chairman has no formal training in economics, nor any experience in monetary or currency affairs. He has a good deal of common sense and appreciates the link between growth of the monetary aggregates and inflation, but he lacks a coherent policy and this is now a cause of serious unease.

There are fears, for example, that Mr Miller will be too easily influenced by the White House and that, as a consequence, the top officials in the White House hold to the innocent view that the Fed can easily determine interest rates and that high rates are bad politics and bad for the nation.

This view of Mr Miller was strengthened in early June when he opposed an increase in the Fed's discount rates despite gains in other *short-term rates and despite* a severe rise in the inflation rate. In addition, despite widespread expectations of inflation gathering momentum well into next year, the view publicly expressed by Mr Miller that interest rates are likely to be at a peak *within a few months* has led many financiers to conclude that the new Fed chairman *lacks the determination* needed to really cut the inflation rate.

*It would be false to over*estimate the influence of the Fed chairman, particularly one who *lacks the command*ing personality, great experience and substantial political *skill of a Dr Burns. The* chairman has just one vote on the seven-member board *of governors* and also *only* one vote on the powerful 12-member Federal Open Market Committee.

All the same it raises no confidence in the markets to *have a Fed chairman who* talks publicly of imposing Government controls on so-called unreasonable corporate profits and whose numerous statements indicate that he still has not appreciated fully that the current rate of money growth is ensuring high rates of future inflation—in the year to August 24 the rate of M1 growth was 7.8 *per cent, with M2 ahead by* 8.4 per cent and M3 up by 10.5 per cent.

The surge in interest rates this year has largely been a product of substantial private and public sector credit demand, rather than the result of tighter money policies. The average level of short-term rates rose by about 2 per cent in the first seven months of this year *over the comparative 1977* period.

The increases in rates, so *far, have neither been suf*ficient to damp credit demand significantly in view of the high rate of inflation, nor to attract substantial inflows of foreign capital. A substantial tightening of money policy is essential if the dollar is to strengthen *and if the long-term infla*tion prospects are to improve.

Only in the last two weeks of August, when the dollar came under particularly severe currency market pressure, did the Fed appear willing to take some action, by *raising its discount rate* and its federal funds target rate by about 0.5 per cent. Given the inflation and dollar problems of today such moves, indicating some tightening of money policies, are barely sufficient.

The willingness of Mr Miller in his first few weeks of office to say all the things Dr Burns used to say and thus diminish fears that the Fed was now in the hands of an ardent liberal, contributed to the sharp rise in April in share prices on American markets. Dealers talked of the "Miller rally" *and predicted that share* prices would soar.

However, the boom fizzled as Mr Miller and the Fed failed to move in more determined fashion to tighten credit conditions. Usually gains in interest rates depress share prices, but today the opposite seems *to be the case, with dealers* appreciating that tighter monetary policies are vital *if inflation is not to wreck* the economy. Recent uncertainty over the Fed's resolve to counter inflation has left American financial markets in a nervous state.

Pension funds are flush with cash, but too nervous to move firmly ahead in building new share port*folios. Brokers have re*cently been doing well, even in the new era of competitive commission rates, with share trading volume consistently exceeding 30 million shares a session and with some sessions actually seeing levels twice as great.

However, profit-taking is all too often coming to the fore after a few bullish sessions. While share prices have gained so far this year and while the markets have clearly discounted fully the prospect of a substantial economic slow-down in coming months, many American company shares are selling still at less than book value.

Another view, which the Fed seems to share, is that the economic slow-down will temper inflationary pressures later this year, while the Administration and Congress make greater efforts to tighten fiscal policy and strengthen anti-inflation policies and that, as a result, substantially greater tightening of money policy will not be necessary. In this case the availability of credit should remain close to current levels, while interest rates *rise only slightly* to peak by year's end.

Many operators in Ameri*can financial markets* have become confirmed monetarists and are alarmed at the Fed's stance. One banker recently suggested "Miller is Moses who has lost his way" and the big question for the markets is whether Mr Miller will sharpen his views, outline more clearly his basic beliefs and take determined anti-inflation action.

Compared to this vital issue, the administrative reforms for the securities markets that the Securities and Exchange Commission is deliberating (concerning a national market system) are of minor significance. The SEC may take some decisions within a few months and American markets will undoubtedly be changed in major ways as a result.

F.V.

United States: Dollar and deficit

nflation roars ahead with no tough energy measures

nited States has a balance of trade yments problem. The of this problem are us, but they are not appreciated by the ties and their recog- *n international finan-* tarkets has been a cause of the dollar's *decline in terms of* n, the Deutsch mark e Swiss franc.

he first seven months is year the United had a seasonally *ed trade deficit on a* t-alongside-ship basis 3,355m compared with cit of $13,605m in the period of 1977. Many *s state these accounts* mports measured on a insurance and freight and if the American s are calculated by neans, *then they look* worse with a deficit January to July of 8m.

Carter Administration recognized that one cause of the high def- is the huge appetite Americans have for y. American *oil* im- alone are running at nual rate of $40,000m 45,000m. The Adminis- n, however, has failed anything of major sig- nce about the deficit.

April 20, 1977, Presi- Carter announced an y programme that was complicated that few e fully understood it. it was announced it ne clear that the inistration had neither mined the wider conse- *ces of its proposals nor* led how it would spend revenues that would be ced from its suggested y taxes.

e public failed to un- *and the President's* or comprehend the nt need for a cut in oil *rts. By the second* ter of this year, for nple, still a third of all *ricans were unaware* America imported any barely more than 20 *cent considered energy* lation a high priority.

e President failed to his energy programme so reduced the chances Congress would accept Congress, divided as it is veen politicians most erned about the welfare consumers and deter- ed to hold down energy es, and by politicians oil and gas producing es, made a mockery of energy programme.

axes on big "gas guz- g" cars have been ected and proposed crude taxes, aimed at reducing nand by raising petrol ces, have not even been sidered by the Senate. ns to stimulate domestic ural gas production have en so twisted that Con- ss is discussing a com- mise scheme so complicated that industry experts argue it is unworkable, while some government officials admit it would be difficult to administer.

The President has entered into one compromise after another on the energy front with Congress and the result is that even today, fully 15 months after the programme was announced, it remains uncertain *whether any sort of energy* Bill will emerge from Congress this year. Indeed at *best it looks* as if a Bill will be approved that on optimistic forecasts might reduce oil imports by under two million barrels a day by 1985.

To some extent the Treasury experts were not alarmed about all this earlier this year. They noted that oil from Alaska was coming on stream and that consumption was rising more *slowly than had been* expected. They also noted that in the first half of this year the *level of imports* was about a million barrels a day below 1977 levels at about 8,600,000 barrels.

Confidence on this front was misplaced. The Alaskan output is now at about its maximum of 1,200,000 barrels daily and consumption is rising at a 4.5 per cent rate. Imports in the second half of this year are likely to average 9,400,000 barrels *daily*. Late this year *imports* are expected to rise sharply before oil price increases by *foreign producers*. Next year, even with the passage of some sort of energy Bill, it would not be surprising if oil imports totalled more than $50,000m.

What is needed now is some determined action by the President. He could immediately impose high tariffs on oil imports and impose import quotas; he could also ease price controls on *domestic* energy and by these bring home to Americans and to Congressmen the *urgency* of the situation. There is a remote chance that President Carter *might resort to* one or other of these measures early next year.

But America's *payments* problems run well beyond energy matters alone. Car makers have been *slow* to meet foreign competition and have only in the last year started to produce more small cars. The volume of car imports has declined, but remains *sub*stantial.

In the steel industry foreign competition has produced problems and the Administration's protectionist measures earlier this year are only a partial help. There are scores of American companies that are in desperate need of modernization and rationalization, extending from steel to textiles, shoes and even engineering. These companies are simply not as efficient as foreign competitors and imports are soaring as a consequence.

The United States Government has been slow to devise campaigns to make many industries more competitive, to help to promote exports and provide similar *foreign trade credit facilities* to those offered in Japan and Europe.

The Treasury has argued that a major cause of its deficit is that economic growth has been much more substantial than that of its main trading partners. It has insisted that more expansionary economic policies in countries like Japan and Germany will increase American export opportunities and it believes that the recent adoption of such policies abroad will bring about a major improvement in the balance of payments.

It will take years for American firms to penetrate Japanese markets, while *Japanese producers* are so heavily dependent on sales to the United States that even with the appreciation of the yen they will be able to maintain a high level of sales to America. In addition, the *Germans* are not simply going to give up the American markets that they *have built up over the years*.

Moreover, the effects of the more expansionary policies being carried out in Japan and Germany are being daily eroded by the increases in the values of their currencies and neither looks *strong* enough today to absorb a huge rise in American imports.

Further, many sectors of American industry are enjoying huge consumer demand, helped by the stimulation of financial policies *decided upon in Washington* recently and thus they are barely in a position to in*crease exports* dramatically.

More important, inflation is roaring ahead in the *United States, adding to* production costs and so narrowing the competitive edge *provided* by the dollar's effective devaluation. And as long as the inflation rate *remains so high* it is unlikely that capital inflows will develop to reduce the *current account deficit*.

Indeed it looks improbable that the United States *will manage to reduce its* deficits to anywhere near a reasonable level, or manage *to halt the slide in the* dollar for any reasonable time, until the authorities *start* attacking the fundamental causes of its payments problems.

That demands an effective energy law, a proper anti-inflation programme, a much *more* comprehensive export promotion strategy, and policies aimed at strengthening the weaker industries.

F.V.

Japan

Yen for recovery is rewarded

by John Greenwood

The past year in Japan, since the last IMF conference, has provided a lesson in the problems and benefits associated with the enforcement of a disciplined monetary policy. First, the economy has encountered *internally and externally*, various frictions because of the adjustments that have been forced on it. Second, Japanese businesses and consumers are beginning to see the rewards for the period of painful internal adjustment in the domestic economy during 1977.

The domestic recovery is particularly striking because it has not been induced by any significant monetary stimulus. In the year to July, 1978, M2 (a median definition of money supply), grew by just 11.3 per cent which, compared with average money growth in the 15-20 per cent range in most of the postwar period, is unusually slow.

After the major recession of 1974-75, Japan experienced a mild improvement in the level of business activity in 1976, but this was followed by a mini-*recession in 1977. However*, whereas the first recovery was associated with an acceleration in M2 to about 16 per cent at the peak, and a continuation of inflation, in 1977-78 there has been no such acceleration. As a result there has been a decline in the *rate* of both consumer and wholesale price inflation. In the year to July, consumer prices rose by 4.1 per cent while wholesale prices fell by 2.5 per cent. Over the same period industrial production rose 8.2 per cent.

Shipments are up 7.5 per cent, and real gnp over the year from June, 1977, to June, 1978, is up by 5.3 per cent (10 per cent in nominal terms). The important point is that because there has been no excess monetary stimulus, and, assuming the Bank of Japan continues with its policy of moderation, business expansion probably will be much more sustainable this time.

The reason is that in past expansions the authorities have been compelled to reduce inflation. On this occasion there should be no such problem. It is true that the gnp statistics quarter by quarter are volatile, but on a longer-term basis the growth rate which the economy is experiencing is already a healthy 5 to 6 per cent a year in real terms. Japan still has substantial excess capacity which suggests that, as the momentum of the recovery builds up, growth could still accelerate.

On the external side, however, *the Bank of Japan's* disciplined approach to reducing inflation has necessitated adjustments, both with Japan's trading partners and in the domestic economy. The basic explanation for Japan's external trade surplus is that it reflects the *interaction of business* cycles in Japan and its main trading partners.

Because the Bank of Japan has been pursuing a policy of moderation, the Japanese economic recovery is less exuberant than it would otherwise be, and therefore until earlier this year the Japanese demand for imports was continuing to decline. But since the United States economy, for example, has been expanding, demand for Japanese exports has grown strongly. Since those economies which have pegged their currency to the dollar have also experienced strong domestic expansions, the demand for Japanese exports has shown up as a *marked widening of Japan's* trade and current surpluses.

Compared with a trade surplus of \$20,300m in 1977, Japan has already recorded \$14,100m in the first six months of 1978. On the broader current account Japan saw a surplus of \$10,600m in January-June compared with \$13,900m for 1977.

However, while the trade balance and the current balance reflect primarily cyclical factors, Japan's overall balance of payments is a different matter. With a freely floating exchange rate the overall payments must, theoretically, balance out. It is true that the yen has not floated freely, with the result that Japan's official holdings of foreign assets have grown from \$17,700m in August 1977 to more than \$29,000m last August.

At the same time since several of Japan's main trading partners have had significantly higher rates of inflation, the prices of their currencies have had to fall in terms of yen. The yen has moved from about 266 to 190 to the dollar or 28 per cent between September 1977 and August 1978.

The domestic impact of the rise in the yen has resulted in exporters finding their margins squeezed, while importers have tended to enjoy wider margins. In the first case the response has been either to sell more to the home market, or to rationalize operations in order to maintain sales overseas.

Toyota, Nissan and Honda found that they were able to raise their prices in the United States and elsewhere to combat narrowing margins, but more recently the evidence suggests that the demand for Japanese exports at the higher yen exchange rate is slowing down. Importers, on the other hand, have either used their additional profits to expand their operations or have reduced their prices to Japanese consumers.

An example of the former process is in the retail confectionery *business*, and an example of the latter is the case of utilities which are large importers of oil and gas. At the same time marginal firms have been forced to close in considerable numbers: in 1977 18,000 companies capitalized at more than 1m yen went bankrupt while so far this year the average is almost 1,300 a month.

By these sometimes painful means structural adjustments are gradually beginning to be made. In the longer term, they will make the Japanese economy highly competitive on world markets.

The appreciation of the yen is therefore a necessary mechanism by which shifts in relative prices and the corresponding structural adjustments are made. Although it is hard to imagine against a cyclical background, in the longer term Japan is likely to become a habitual importer with a persistent trade deficit.

Just as sterling and the United States dollar successively became hard currencies and Britain and the United States became main capital exporters, the strength of the yen will in time impose similar responsibilities on Japan.

Already in South-east Asia and the Middle East, Japan is beginning to play this role regionally, investing substantial sums in plant and equipment, as well as in joint ventures. It can only be a matter of time before that role becomes a global one.

West Germany

Growth rate certain to fall short of 3.5 per cent target

by Peter Norman

When the world's finance ministers and central bankers gather in Washington for this year's annual meeting of the International Monetary Fund, West Germany's Finance Minister, Herr Hans Matthöfer and the federal bank president, Dr Otmar Emminger, should for once be immune from the standard criticism that Germany should "do more" to aid the world economy.

For the Bonn Government has moved swiftly to fulfil its July summit pledge to increase demand by up to 1 per cent of gross national *product next year*.

A package of personal tax cuts and increased family benefits will pump an extra DM13,000m into the economy in 1979 and the Government is striving—despite opposition from a powerful combination of state premiers and mayors in North Rhine Westphalia—to cut non-income related taxes on business the following year.

However, the uncertainties about the German economy remain. Growth this year is certain to fall short of the original target of a real 3.5 per cent rise in gnp. With real growth now expected to show little change from last year—the latest forecasts speak of a 2 to 3 per cent rise in gnp—unemployment is likely to be back up to the million mark this winter.

In view of the disappointing results of the *Government's previous efforts* to stimulate growth despite having pumped more than DM70,000 into the economy *since the oil crisis of 1973*, it would be rash indeed to predict that 1979 will see final achievement of the desired goal of satisfactory growth in the context of price stability.

In looking at the German economy one can only be *struck by the combination of* positive and negative factors.

On the one hand inflation is low. The present annual rate of consumer price increases of about 2.5 per cent is bettered only by Switzerland.

Certain sectors of the economy are doing well. Building, having survived a painful progress through slump and stagnation, should make a positive contribution *to economic growth this* year for the first time since 1973. Demand for houses is rising strongly and many building companies complain that they cannot find the *skilled* labour they need.

The car industry is still experiencing a heady boom *in demand. Pessimistic forecasts* for the immediate future have come and gone with the seasons over the past 18 months. But registrations of new cars should exceed last year's record by a small margin this year. Car output is expected to increase by a further 3 per cent to nearly four million.

The retail trade, after many years in the doldrums, seems at last to be benefiting from an upturn in *consumer spending*.

The stock markets have been reaching new peaks this summer and business confidence appeared to be reviving strongly before the outbreak of currency uncertainty affected the D mark recently.

On the other hand the strength of the D mark on foreign exchange markets, illustrated again by August's currency crisis, exerts a *constant pressure to adapt on* exporters and exposes more and more branches of German industry to greater competition at home.

The strength of the D mark has made Germany's wage costs the second highest in Europe after Sweden. The ability of the unions to extract real wage increases in each annual round of collective wage bargaining since the oil crisis has precipitated a forced rationalization of many industrial processes that has cut demand for labour at a time when demand for jobs is growing because of demographic factors.

Germany's public finances are also a cause of concern. Although the Federal Government is *confident that* this year's public sector borrowing requirement of about DM60,000m can be satisfied, it is feared that the state's growing indebtedness must one day set off a competition for funds that will push up interest rates to the point where *they* will be felt by industry as an added cost burden.

The rise of the D mark and the continuing weakness of *the world economy have exposed* serious structural problems in industries such as steel and shipbuilding in regions such as the Saar, the cure for which will inevitably cost jobs.

The various pressures have also contributed to a *deterioration in* relations between organized labour and industry.

At the highest level this deterioration manifests itself in the arid and rather stylized dispute between the employers and trade union leaders over the new *Mitbestimmung* or worker co-determination law. One of the last acts of Herr Hanns Martin Schleyer, the employers' leader who was kid-*napped* and murdered by terrorists a year ago, was to take this act, which provides for near equality of representation of workers and *shareholders on the supervisory* boards of large companies, before the Constitutional Court.

Herr Schleyer might have had second thoughts if he could have foreseen the results. The unions ostentatiously pulled out of the "*Concerted Action Committee*"—the body which used to bring labour, management and government together for discussions on the economy—and have shown little enthusiasm for a return.

The acrimony thus generated spilled over into the *spring round of collective* wage bargaining. Admittedly, the war of words tended to be far more alarming than the outcome of the *negotiations*.

Wage increases this year have been lower than they were in 1977. But the union stance does seem to have spawned a greater militancy at industry and plant level that found expression in strikes this spring in Baden Württemberg's steel works and the Germany printing industry.

The strikes were essentially concerned with job preservation *and the maintain*ance of incomes of workers threatened by rationalization.

Although it would be wrong to deduce that German industrial relations have irrevocably taken a turn for the worse the old *cosy relationship between employers* and employed that marked the y[...] *Wirtschaftswunde*[...] mic miracle) is [...] ably a thing of t[...]

The underlying [...] tion is importar[...] *monious industri*[...] are a vital key to [...] future economic [...]

The country's [...] adjust as far as i[...] *to the pressures* [...] the rise in the v[...] D mark owes a gı[...] the adaptability [...] dustry and un[...] *summer's govern*[...] promises to raise[...] ally the income [...] ployed people.

If it is also to [...] investment and e[...] it will have to b[...] by the unions in[...] only moderate [...] creases this wint[...] no more than [...] for price increas[...]

The author is [...] *Business Corresp*[...] Times.

France

Price of bread symbolizes end of an era

n Murray

t 12, 1978, can already to be one of the most icant dates in French mic history. On that for the first time in 200 years, French s were allowed to e whatever they d for their bread.

price of bread has s been of tremendous significance in France. s the spark which set e French Revolution.

freeing the price of symbolized the end of in France and showed e people in the most ic way that the Government really meant it when it t had taken the irreversible step of freeing prices.

decision to free in- al prices was taken in and has been continuing ever since. At the time the Government begun the process of rawing its subsidies nationalized industries. ntention is that every rn should have the to charge as much as eds to stay viable and never again should any any expect to be bailed with public money if it n difficulties. The finan- plan to salvage the steel stry, announced last , is presented as a sional measure.

policy is a hard and one. It is the kind of that can only be under- by any government the first few months *of coming to power or being* returned to power. The unexpectedly large victory of the government majority in the March general election cleared the way to embark on it. It gave four clear years for the system to be imposed and for the inevitable hardships it would entail to be treated.

The hardships *have been* felt in the two inevitable ways—inflation and unemployment. Inflation, be*cause the freeing of prices*, particularly of the public utilities, has pushed up the cost of living rapidly.

In July the cost of living index rose by 1.2 per cent. This was by a long way the biggest monthly rise of the year, and prices have been going up steadily since the election. Unemployment is up because firms unable to stand up to the new prices are closing at a time when many of the traditional industries like steel, textiles and the shipyards are feeling the effects of world recession.

At the end of last month the Communist Party organized a rally from firms threatened with closure. There were representatives from more than 700 companies. The latest official unemployment figure is 1,241,000 and the Government itself would not be surprised to see the figure top the 1,500,000 mark by Christmas.

But with a safe tenure of the front bench at the National Assembly assured for the next three and a half years, the Government is showing no signs of being in any way perturbed by these statistics.

The claim is that the inflation figures are inevitable while the removal of subsidies and the freeing of prices is going on. As long as incomes are index linked there is no loss in purchasing power and in the end things will steady and stabilize.

The *Government* is showing every sign that it is concerned about unemployment without really going very far *to meeting the demands of* the unions or the left. The underlying philosophy of M Raymond Barre, the Prime *Minister, is that when the* economy is sound then employment will be secure and that drastic measures *now are merely a waste of* money. There is no intention to soak up unemployment by expanding the public sector. There are no real signs of reneguing on the firm stand against lame ducks.

Nevertheless the French budget for 1979 which was put forward earlier this month did make the unemployment problem its main target. If it is not prepared to support lame ducks it is prepared to spend money on creating new and healthy industries in an area affected by unemployment.

M Barre himself will head a committee which has been set up to administer a new fund worth 3,000m francs and which will be available to help as and when considered necessary. In all the extra money being spent on job creation alone is being increased by 23.9 per cent over the year, while there is also to be a substantial increase in the amount spent on vocational training.

M François Ceyrac, leader of the French employers' *federation, said earlier this* month that he was confident the worst of unemployment would be over by the end of this year. Those who rule the French economy believe they really do have the problem in hand.

That is the hallmark of the controllers of the French economy of today—a deep confidence that the necessary is being done and being done successfully. M Barre has been in office as Prime Minister now for two years. He took on the job with no political pedigree but a reputation of being the best economist in the country.

No one can deny that the Barre plan which he immediately put into operation has had results. It has certainly achieved two of its three aims—putting the balance of payments into the black, and stabilizing the value of the franc. The third aim, of curbing inflation, has not been achieved yet. M Barre has estimated this may be as high as 11.5 per cent this year as a result of the freeing of prices and of subsidies. But he is unconcerned. He feels inflation is under control.

M Barre's time in office has increased his cautious realism. He rashly predicted this year would see a growth of 4.5 per cent in the economy. For next year he has set his sights somewhat lower at 3.7 per cent.

He expects a 7 per cent rise in imports and a 6 per cent rise in exports. He thinks household spending will rise by 3.8 per cent and business investment by 5.5 per cent. He hopes to keep inflation down to no more than 7.9 per cent. compared with 9.5 last year.

M Barre's budget—and although there is now a new Ministry for the budget there can be no doubt that M Barre is really the originator of it—has set out to tackle the problem of ensuring expansion at a time when the international economic climate is at best mediocre. That is a conundrum facing every government, but M Barre oozes confidence that he can really solve it.

The main dangers facing his policy include the great dependence of France in imported energy sources. A sharp increase in the cost of oil would have a particularly disastrous effect. Another major worry is the growing militancy of the unions faced with the twin problems of unemployment and inflation.

M Barre is seeking to convince the unions that the present inflation should not worry them and that unemployment will go away. *It* is a trick that requires great confidence to pull off.

Italy

Hopes pinned on the Pandolfi plan

ohn Earle

Italian Government further negotiations the International Monetary Fund this autumn in the pledge that it is making ore determined effort its predecessors in to mobilize opinion nd an economic strategy the period ahead.

weapon is an outline -year stabilization plan 1979-81 which, after hs in gestation, will have been debated and, oped, broadly approved ts supporting political es and by the representatives of capital and labour.

e credit for this plan not so much to the rnment as a whole as ignor Filippo Pandolfi, Treasury Minister, ed by collaboration from Bank of Italy. Signor io Andreotti does not behind him a homogeneous team, and some ministers are of second eleven ore or are inclined to a game on their own.

socialist critic has compared the ministries with e castles with drawbridges between them, which sometimes down permitting communication, but sometimes up. It is to be ed that, eventually, the strategy will be filled out concrete proposals which receive the loyal backing of errant ministers as well as of opinion in the country.

It is nevertheless significant that Christian Democrat politicians, traditionally allergic to a global view of the economy, are engaging in overall planning, albeit with prodding from visiting IMF experts. It is not the first time that a government has produced multi-annual plans. Much more ambitious and, it proved, unrealistic documents were drawn up in the centre-left years of the 1960s, but this was under socialist influence, when Signor Antonio Giolitti was budget minister and Signor Giorgio Ruffolo, chief of planning.

Signor Pandolfi's 28-page outline, unlike many Italian government documents in the past, is in language which most people can understand. It does not gloss over difficulties, but gives a warning that the unexpectedly high levels of the balance of payments and the reserves mask an unhealthy and unstable situation, in which Italy is drifting away from its allies. The option is whether Italy can remain with the European Community or will drop out of Europe.

The extent of the deviation from course can be seen by recalling the targets laid down in the letter of intent accompanying the IMF standby credit of 450m special drawing rights in April 1977. The enlarged public sector deficit for 1978 was set at 14,450,000m lire (then about £9,635m) or 7.6 per cent of gross national product, but now is estimated at 28,480,000m lire (£17,800m) or 14.1 per cent.

Consumer price inflation was to be down to 8 per cent, but still runs at 12 per cent, much better admittedly than the figure of at least 20 per cent a year ago. According to the Pandolfi document, the level may rise again next year to 14 per cent.

On the other hand the balance of payments, *instead of* being modestly to the good, had half way through this year amassed an uncomfortably large *surplus* of more than 3,400,000m lire (£2,125m). Reserves at the end of July stood at a record $22,700m (valuing the gold content at 15 per cent below market value), against official and banking debts contracted abroad of $17.2m.

This situation reflects stagnant industrial production, which only recently has shown signs of picking up after 11 consecutive monthly falls (on a 12-month basis). When recovery comes and stocks are rebuilt, the fear in official quarters is that the fall in balance of payments may be swift.

Hence it is still considered necessary to negotiate further IMF and EEC standby arrangements, even if the high level of the reserves has made possible early repayment of existing debts to the Bundesbank and the EEC. Hence, also, it is considered that Italy must proceed with caution in joining the proposed European monetary stabilization arrangement, especially as inflation remains notably higher than elsewhere in the Community.

The Pandolfi document foresees, on the basis of present trends, continuing 12 *to 24 per cent inflation*, annual growth of gross national product little above 3 per cent in real terms, *persistence of unemployment* at present levels (the highest for 15 years) and gradual evaporation of the balance of *payments surplus in 1979*.

In setting out a strategy for the future, it presupposes that world trade, expanding annually by 4.5 to 5 per cent, will enable exports to grow annually in 1980-81 by 6.5 per cent. It should be possible for gross national product to expand sufficiently to increase employment by 500,000 to 600,000.

This, however, rests on three conditions. First, a curb on the growth of public expenditure. The document aims to reduce the enlarged public sector deficit from 16.7 to 14.8 per cent of gnp in 1979, while at the same time channelling more into capital investment. It suggests also borrowing a further 2,000,000m lire (£1,250m) abroad. Second, a near halt to wage increases in real terms. Third, increased mobility and flexibility in use of the labour force.

If the Pandolfi plan provides a *point of departure* for the next three years, this has been made possible by the relative stability of the lira in *spite* of confusion on international currency markets and internal political convulsions that have included the assassination of the Christian Democrat leader Signor Aldo Moro and the resignation in disgrace of President Giovanni Leone.

While defending the currency, the authorities have followed a policy of gradually *dismantling the* artificial controls which two years ago surrounded the lira. Interest rates, though *tending gradually to fall*, have been kept substanially above those elsewhere in the European Community.

Ceilings are maintained on the domestic expansion every two months of bank lending, and it has been customary every six months to instruct banks to invest 30 per cent of the increase in their *deposits in lira-denominated* bonds. In the persisting stagnation this summer, bank liquidity has been high.

The dismantling of lira controls, after the abolition of the surcharge on foreign currency purchases in February 1977 and that of the import deposit scheme in April 1977, was followed by the discontinuance in June this year of the requirement to finance a percentage of export invoices with foreign *credits*.

The individual travel allowance this year has been raised from 500,000 to 750,000 lire (£312 to £470). On July 3 the Bank of Italy repaid in advance to the Bundesbank $1,000m remaining from a gold-guaranteed loan, and subsequently permission was asked to repay in advance sums owing to the EEC. At the same time, since June last year the discount rate has been lowered in stages from 15 to 10.5 per cent.

Controls naturally remain on capital outflows, and if anything have been tightened in the past two years. One control for whose removal pressure is beginning to build up is the 50 per cent supplementary deposit on new foreign share purchases, which in practice prevents Italians from investing legally in the stock exchanges of the European Community. The goal of free European capital markets remains little more than a mirage.

Shipbuilding at a wharf in Amsterdam.

Switzerland

Telling year for the banks

by Alan McGregor

This is the year of the economic question mark for "little Switzerland"—an appellation being used not infrequently these days by bankers and industrialists.

They thereby seek to underline the point that, however prosperous, a country so dependent on world trade and banking cannot avoid experiencing adverse repercussions consequent on international economic difficulties.

While these so far are more expected than perceived, the federal Government, prudently, has already run up the early storm warning by emphasizing that the Swiss potential for influencing massive external perturbations is strictly limited.

Even the prime achievement of near-zero inflation and stable prices cannot shield export industries from the pressure of the soaring franc. It continues on its upward course despite measures, regarded by the bankers as draconian, to curb the inflow of foreign funds.

Since 1970, the process accelerating after the introduction of floating exchange rates in 1973, the Swiss currency's appreciation has been meteoric: about 200 per cent against sterling and more than 150 per cent against the dollar.

Even in the past 12 months, the franc has risen some 40 per cent against the average of the currencies of Switzerland's dozen main trading partners. As the first of those partners, as well as foremost competitior in export markets, is West Germany, the 8.3 per cent appreciation against the Deutsche mark in the four weeks to mid-August sufficed to alarm even the more sanguine.

"This manifestly corresponds in no way with economic realities", the Government observed last month after a well-publicized extra session of the Cabinet. A recent study by one of the leading bank's economists puts the real over-valuation of the franc at 20 to 35 per cent.

The question mark concerns the ultimate effect this may have on exports. So far it has been minimal. Swiss manufacturers emerged in good trim from the 1973-75 recession. Restructuring raised productivity and made them less dependent on foreign labour. One expert has said indeed that the reduction in the foreign labour force—about 250,000 since 1973—"made it possible to squeeze inflation out of the economy".

While industrial production is up by only a small percentage since 1975, its manpower is down by more than 15 per cent. There is a marked decrease in pressures on the basic services including schools and hospitals, contributing to a more relaxed social climate.

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Belgium and The Netherlands

Traditional industries reveal serious weaknesses

by Peter Norman

The Benelux countries are making heavy weather of recovering from the world recession of 1975.

Although the real gross national products of The Netherlands, Belgium and Luxembourg will grow rather more rapidly this year than in 1977, it seems certain that the scale of recovery will be insufficient to prevent a further rise in unemployment.

Holland has recently cut its growth forecast for this year to about 3 per cent or a full percentage point below the level that is regarded as having a neutral impact on the labour market.

The Organization of Economic Cooperation and Development (OECD) last month forecast a 2.75 per cent growth rate for Belgium while the authorities in Luxembourg expect economic growth of 2.5 per cent. In both cases the OECD says that unemployment is likely to rise.

Only on the prices front can the governments in The Hague, Brussels and Luxembourg have some cause for satisfaction. The inflation rate in the three countries should fall below the 5 per cent level this year and so come close to the 2.5 to 3 per cent level expected in West Germany, the Benelux countries' most important trading partner.

Unemployment, which in Belgium reached an alarming summer peak of 8.7 per cent in July and in Holland stood at an unsatisfactory 4.3 per cent, is the major economic problem to be tackled in the Benelux countries.

But, for a variety of reasons, the chances of speedy success are slight. More than in most regions, the economic welfare of Holland, Belgium and Luxembourg depends on the prosperity of other nations.

The Netherlands and the Belgo-Luxembourg economic union have the highest degree of export dependency in Europe. About 44 per cent of Holland's gross domestic product is exported and the percentage rises in the case of Belgium-Luxembourg to just under 50 per cent.

Furthermore, the Benelux countries are to a large extent dependent on the West German market which absorbs about 30 per cent of Dutch exports and between 20 and 25 per cent of the goods sent abroad by Belgium-Luxembourg. Hence they suffer a handicap to achieving growth and fuller employment as long as the German economy remains in the doldrums.

The situation would probably be less complicated if the Benelux states were not so dependent on Germany as their largest single supplier. This fact has made desirable the tying of the guilder and Belgian franc to the Deutsche mark in the European joint float as a means of avoiding the adverse economic effects of imported inflation.

Membership of the Snake has banished the prospect of double digit inflation, but imposed its own strains on the economies of the three countries.

In general, industrial investment has stagnated because of depressed profits. The recession and rising costs have produced a reversal in the international flow of investment capital. The Netherlands has been a net exporter of private long-term capital on a massive scale since 1974 with the Dutch leading the national league table of foreign investors in the United States. Several multinational operations that invested in Belgium in the 1950s and 1960s have closed their subsidiaries and capital investment from abroad has slowed to a trickle.

The governments in the Hague and Brussels have only limited room for manouevre to stimulate their economies. Holland is in the throes of a laborious reversal of economic priorities. Having used its natural gas wealth in the years before the recession to build up a generous welfare system, it is now trying to trim government spending.

The Christian Democrat-Liberal coalition of Mr Dries van Agt plans to cut government spending by 10,000m guilders over the next three years.

In Belgium, the Government's 1979 budget plans do not go quite so far. Public spending is being held constant in real terms. But, given the high level of unemployment, the Government has had to maintain its budget deficit at the high level of 7 per cent of gross national product.

Unions accept modest wage increases

The rise of the guilder and the Belgian franc in line with the mark has raised doubts as to the continuing competitiveness of Dutch industry, particularly in exports, and exposed serious structural shortcomings in some of the older established industries in the three countries.

Although the trade unions in Holland, Belgium and Luxembourg have accepted modest wage increases since the recession, the rise of the guilder and franc has helped to make unit labour costs in the Benelux countries among the highest in Europe.

The export of goods and services from Holland fell last year and the country's share of world trade will decline again this year if exports rise by the forecast 3 per cent in volume compared with an expected gain of 5 per cent in world trade.

The strength of the Benelux currencies and the sluggishness of the world economy have exposed traditional industries to tougher competition on both domestic and foreign markets. Holland's shipyards, the textile industry of Flanders and the steel industries of Wallonia and Luxembourg have been shown to have serious weaknesses.

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The overall performance of the United Kingdom economy, British industry and the City are assessed on this page

Long-term problems become more pressing

by David Blake

Britain's economy had the kind of year in 1978 which it used to experience in the 1950s. Growth was slow by world standards but it reached a clearly measurable level of about 3 per cent for the first time since the oil crisis. There were only minor flurries of excitement in the financial markets, with none of the crises of 1976, when sterling fell, or excitements of 1977, when money poured back in.

In other ways too, the year was unspectacular. Inflation fell until midsummer, but the drop was only a few percentage points off the annual rate, quite unlike the halving during 1977. The balance of payments, true to British form, turned out to be a disappointment; but it looked likely that Britain would end the year with a rough balance or perhaps even a slight surplus. Even unemployment, the blackest stain on the Government's economic record, is lower now than it was in the same month last year.

This apparent picture of normality

Yet behind this apparent picture of normality restored, the long-term problems which face the British economy are becoming more pressing. Essentially they are the old problems of low growth, low productivity and poor manufacturing competitiveness.

But these old problems are now more difficult. As the National Institute for Economic and Social Research put it: "The United Kingdom now faces apparently intractable problems" in reconciling full employment, low inflation and payments balance.

This year's recovery in the economy has been fuelled by wage increases outstripping prices with a rise in earnings of about 14 per cent to 15 per cent and prices rising by only per cent. This increase in the real value of gross earnings has been reinforced by government tax cuts. It is not clear how far the Government foresaw that its own reductions in taxation were going to add to an already large increase in earnings, thus fuelling a consumer boom ahead of an election which everybody expected this autumn.

The Government's own rationale for the stimulus administered through tax cuts *was that this would dis*suade workers from pushing for wage increases much above the 10 per cent guideline which they set down.

Whatever the reason for their action, the result was to increase real take-home pay by about 6 per cent to 7 per cent with a similar increase in consumption coming shortly behind.

This increase in living standards faces the Government with a difficult prospect for 1979. On all present forecasts the economy will slow down significantly in 1979, with unemployment rising and living standards either falling or remaining stagnant. This might happen at a fairly low level of inflation if the Government succeeds in making its new 5 per cent pay policy stick or at a higher level of inflation if wages rise more.

What does seem inevitable is that unless there is a new stimulus from the Government, private consumption in the year ahead will provide no new stimulus to the economy. The Government's immediate short-term problem is that it is difficult to see any room for it to give a stimulus within the constraints of its own policies.

Government borrowing *this year will be near the* £8,500m ceiling agreed with the IMF and effectively required by the City. Money supply, *after drastic action* to control private bank lending, is now back within the limits imposed by Government but is still growing at a pace which worries many in the financial community. And the balance of payments shows no great room for expansion either.

It is difficult to see how the Government will be able to deliver anything more generous than a neutral Budget next Spring; though we can be sure that it will try to find something in view of the prospect of an election.

The problems facing the Government in the short term are not merely temporary. For even if the immediate problems of budget deficit and money supply could be overcome, the medium-term outlook on the balance of payments is such that there seems to be little that traditional management policies on their own can do to bring down unemployment from its present level of about 1,300,000.

Britain has long been notorious for the slowness with which its industry responds to increases in demand. In recent years *this slowness has got worse,* not better. It takes the form of a reluctance to invest (though investment is actually holding up quite well at the moment) and of an unwillingness or an inability to expand output when demand goes up.

The result of this is that imports rise very rapidly. It is striking that despite the present boom in consumer goods, production by the consumer goods industry is *expanding only moderately.*

This supply bottleneck was identified behind the recession in 1975. The Gov*ernment talked about taking* carefully directed action to remove these bottlenecks, but little was done. *It is now clear that the problem* is more complex than just a shortage of capacity and involves producers' attitudes to expanding output.

Real worries of price competitiveness

There are also real problems of price competitiveness. Some of these are probably caused by the Government allowing sterling to rise to an unrealistically high level in its anti-inflation fight, but few people would now believe that a simple devaluation strategy would succeed because it would almost certainly lead *to renewed wage demands.*

The thrust of the Government's policy for the past three years has been to fight inflation *while leaving* unemployment on one side and hoping something could be done about it later. The argument was that only when inflation had been conquered could unemployment start being reduced. The political calculation was that people were more worried about rising prices than unemployment.

This calculation now looks very dubious with unemployment generally *rated a more serious issue* than rising prices. The Government may be right in thinking that if it can succeed in bringing inflation down again in 1979 it will lay the basis for sustained expansion in subsequent years. But if it is right, it still has not shown just how this is to be done.

Rationalization vital to survival

by Maurice Corina

British industry has seen few streaks of silver in the clouds that continue to cast *shadows over the economy.* In comparative international terms, the level of cost inflation and competitiveness is still the biggest handicap. Even switches from home to export demand, which have helped to maintain the still inadequate levels of production, have run into the ironic difficulty of a rising pound, which is beginning to threaten some marked progress in raising exports.

Heavy unemployment and *lean order books are not* peculiarly a British problem, but, faced with inadequate demand, there has *been within industry* an acceleration of reductions in workforces, with temporary employment subsidies acting *only as a partial brake.* There are no miracle cures for specific industrial ills.

Throughout this year, the *work on the industrial stra*tegy has continued, with about 40 sectoral working parties setting out objec*tives for their particular in*dustries. There is now a slowly emerging pattern of firm recommendations and *even of action. For example,* specific aids to investment to deal with identified difficulties and requirements are *being taken up fairly* rapidly across a broad spectrum of industry.

Fortunately, political controversy does not attend these efforts, for both the TUC and CBI like this kind of collaboration and it has helped to raise understanding within the Treasury of industry's aspirations. However, the Department of Industry has continued to grapple with some specific intractable industrial difficulties.

Certain essential industries, such as steel, shipbuilding, aerospace and car manufacture have fundamental problems of adjustment. The difficulties which afflict British Leyland, Chrysler UK, British Shipbuilding, British Steel, and others are well known. None can report significant *changes in fortune for their* various industries, for their tasks can only be viewed as medium and long-term battles for *survival. Huge sums* are required for necessary investment. Workforces have to come to terms with the unpleasant realities of rationalization.

Few sectors of industry have escaped in recent times from fundamental reviews. Finding work in shipbuilding and such issues as the impact of the world-wide slump in steelmaking have required the attention of international administrators. There has been a *resultant surge of activity* within the European Community to define common problems and to find *some unity in national poli*cies when restless and vocal workforces are demanding more safeguards for their jobs and industries.

Heads of state who fly to economic summits have raised expectations, which appear to be subsequently dashed. Yet the summits are vital. The rise in world *demand remains steadfastly* out-of-line with the trends of past decades. Continual delay in achieving solid *agreements only reduces* both the optimism of industries and confidence among businessmen that economic *managers really know what* they are about.

Whatever the merits of price, dividend and pay con*trols, the private sector* of industry has continued to fight against the historic decline in its real profitability. *Some of the national*ized industries, such as gas, electricity and the Post Office, where the size of *surpluses has caused some* comment, seem more buoyant. Private industry continues to make fairly *savage economies which* seem to be dictated by economic circumstances rather than a sustained *belief that factories must be* reorganized in preparation for the promises of the Chancellor that higher growth is on the way.

Rates of investment have certainly improved this year, but the level is nowhere near what is required to lift the amount of capital behind British workers to appropriate amounts comparable with international competitors. The threat of a return to a higher rate of inflation after this year's contain*ment is a real one.* Businessmen know their unit costs best. Their response to government exhortations to invest and to reequip for higher productivity turns on judgments about the economy.

The uncertainties about the battle against inflation erode business confidence, the vital factor in the rate of capital expenditure. Any incoming administration, whether it is Labour or Conservative, will need to provide early guidance.

Meanwhile, the CBI is bravely attempting to lift in*dustry out of the political* arena, defining its own programme of action. Its latest policy document, *Britain Means Business 1978*, has been rushed out ahead of an election, and it has an underlying message: that *governments must be sup*portive not interventionist.

For all its faults and partisan pleading of the indus*trialists' causes, the docu*ment cannot be ignored by any new political administration, which depends in *the end on the cooperation* and reactions of business if industry is to be put into better shape while the bene*fits of North Sea oil* to the general economy accrue.

It is certain that industry understands what is *required* in terms of new investment, job creation, export objectives, productivity and all the elements for ensuring better performance. The trouble is that governments, which come and go, tend to overturn each other's policies and disturb the span of stability which is needed to put *things right.*

The author is Industrial Editor, The Times.

Rise in shares is result of confidence

by Christopher Wilkins

Six months ago there could not have been much doubt in the mind of the observer, that the stock market had moved into a bear phase. The Financial Times Index having reached 549.2 in September 1977, a record, had fallen to 430 by March.

The fall was deceptive, however. During the early summer the market stabilized in the 450—480 range *and since then it has im*proved. In August it moved decisively above 500 climbing higher to this month's level. The old stock market aphorism "Sell in May and go away" has, not for the first time in the present decade, proved to be badly wide of the mark.

The All-Share Index, perhaps the best measure of *the market, breached the* previous limit only last month. Explanations for changes in prices are easier *to find after the event than* they are at the time, but the recent rally has been distinguishable from earlier *movements by two impor*tant factors. First, the rise in ordinary shares has not been significantly stimulat*ed by gilt-edged prices and,* second, it has owed little to the performance of the pound.

Gilts, for instance, which had begun to show marked weakness at the beginning of the year, continued to *fall until the middle of the* summer. And while they have recovered somewhat since then the revival has been, at best, subdued. Throughout the summer, apart from one breathtaking burst in June, the Government has found it very difficult to raise new funds in the gilt-edged market.

The pound meanwhile has been generally stable since March, owing any firmness rather to the weakness of the dollar than to inherent strengths.

The *important* point here is that, over the preceding two years, the gilt and sterling markets had been the key to equities. Institutional investment interest focused almost wholly on gilts, and it can *now be seen that the* strong rally last year in ordinary share prices was not accompanied by any big *increase in buying by the* insurance and pension fund managers. In 1977 the insurance companies bought £2,227m of gilts compared with only £576m of new equities, and while pension fund equity buying of £1,419m exceeded gilt purchases of £1,116m, the balance in favour of ordinary shares remained well below earlier levels.

Where then should one look for an explanation of the rise in share prices since the early spring? Mainly it *is* a question of confidence. Since the collapse in 1974, which brought the FT Index down to a mere 146 at the beginning of 1975, share prices have jumped but the recovery in confidence has been much more tentative than the revival implied.

While Government was moving generally in the right direction the City felt it was moving too slowly *and sometimes too late. The* economy lurched from crisis to crisis, and until the beginning of 1977 it did not appear that matters were coming right. This obsession with the basic economic question largely explains why the gilt-edged rather than equity market became so much the centre of investment attention.

The indications last year that inflation and the money supply were being brought under control, that the balance of payments *outlook was becoming* brighter and that sterling was becoming a more soundly-based currency all help to account for the strong performance of gilts, and ordinary share prices duly rose in their wake.

Even from this improved base, however, it seemed late in 1977 and early this year that the hard won gains might be frittered away. Thus, for instance, the money supply showed signs *of rising in excess of* government targets; the weakness of oil prices resulting from low worldwide economic activity and the delays with North Sea oil production served to cast doubts over the trade balance; the prospect of an extension of pay restraint looked uncertain, raising fears of another pay explosion. And it *increasingly* became clear that the inflation rate would level out and begin to rise in 1979.

The markets found the prospect of a general election unsettling, suspecting that the Government's tax reduction programme owed more to a desire to see living standards rising again than to any genuine conviction that it was the right policy.

But more recently some of these fears have begun to evaporate. The turning point was the introduction of the "corset" in June on terms which looked particularly tough for the banks. It was designed to impose tight constraints upon the banks' ability to increase their lending and thus to check the growth in money supply. Recent banking and

continued on page IX

Opec

Members weigh basket's pros and cons

by Nicholas Hirst

Discussions among members of the Organization of Oil Exporting Countries this year are dominated by the effect of the decline of the dollar on their revenues and the glut of oil on world *markets.*

The second point has effectively prevented Opec from doing anything about the first. The last general price rise was in January last year. Since then the *dollar has declined by about* 14 per cent. Experts met in London in July to consider ways of insulating Opec members from the continuing erosion of the real value of the money being paid for *their oil, but nothing has* been done.

Rumours of meetings have come and gone like autumn swallows on telephone wires. It is unlikely now that anything will be done until members have their half-yearly meeting in Abu Dhabi in December and even then the likelihood of any action specifically to protect revenues from the dollar's decline seems increasingly remote.

Nothing has been done, indeed, nothing effective could have been done without either further damaging the dollar or putting too great a strain on Opec solidarity.

A wealth of schemes has been proposed and consi*dered, some of which have* merit theoretically, but practically get nowhere.

Essentially the variants all suggest the same thing; that the price of oil should be linked to a basket of currencies. The dollar price paid would then depend on its value against the weighted average of the currencies when payment was made. It would be easy to administer and would protect oil producers against fluctuations in the dollar price.

The immediate effects of introducing such a scheme, however, would almost cer*tainly be to cause the dollar* to fall further, creating more disruption to the American economy. The Saudis, particularly, are anxious to do nothing which would precipitate another recession.

A greater danger for Opec members could be that the dollar has fallen as far, or nearly as far, as it is going to fall. A system of a basket of currencies would work both ways. If the dollar is about to rise, a weighting system would prevent Opec getting the benefits on the way up, which it lost on the way down.

So while there is talk of having to take action if the dollar falls any further, there is really a great reluctance to do so in case it proves to be exactly the wrong moment. All these considerations will be present in as much force in Abu Dhabi in December as they were at the June half-yearly meeting in Geneva or the meeting of experts in London in July.

Despite the belief of oil ministers like the moderate Dr Mana Saied al-Otaiba of the United Arab Emirates *that an agreed scheme* exists to be introduced at Abu Dhabi, the simple solution to declining revenues remains a straightforward rise in prices.

The Abu Dhabi meeting will have to decide whether the market is strong enough to take any rise.

A rise will be made if at all possible. Opec members have seen their revenues dwindle in real terms even more because of inflation than because of the decline in the dollar; but a rise which led to immediate discounting through improved credit terms and other similar devices would only serve to damage Opec's strength.

Predicting Opec decisions three months before they are made is difficult and the results of the mid-year Geneva meeting have hardly made this easier. The lack of a special meeting to correct the loss of revenue through dollar declines shows an unwillingness to rush into a rise. The most influential Opec leader, Shaikh Ahmed Zaki Yamani of Saudi Arabia, appears more cautious every time he speaks.

At Geneva he was talking of small regular rises to prepare for the predicted shortage in the mid-1980s. More recently he has been saying that Saudi Arabia has not decided whether to go *for an increase or maintain* the two-year-old freeze.

Iran's attitude before its internal troubles was more definitely in favour of an increase. Its support of Saudi Arabia is important to maintain the unified front Opec has presented on pricing since the short-lived and damaging two-tier structure of the first six months of 1977.

Provided that the Shah remains in power, its gentle pushing of the Saudis is likely to continue; what happens if he falls is not predictable, but the effects of a civil war would be only too plain. Supplies would suffer. The removal of the average daily production of about 5,500,000 barrels would quickly alter the world surplus. Supplies would probably be available to make up the difference, but prices would certainly tighten.

Iran's problems apart, *Opec oil output has been* recovering from the sharp decline of the first quarter. Production during 1977 was static as new sources of supply flowed from the North Sea, Mexico and Alaska.

That production has increased further this year and has been more than enough to take up any underlying increase in demand. As a result Opec production in the first half was the lowest for two years. More than 60 per cent of the fall was taken by Saudi Arabia and Abu Dhabi which formed the lower tier in the split pricing structure which although cancelled in mid-1977 created extra demand for their crudes in the first half of last year. Output did rise between the first and second quarters, however, and a sharp increase during the second half has been expected.

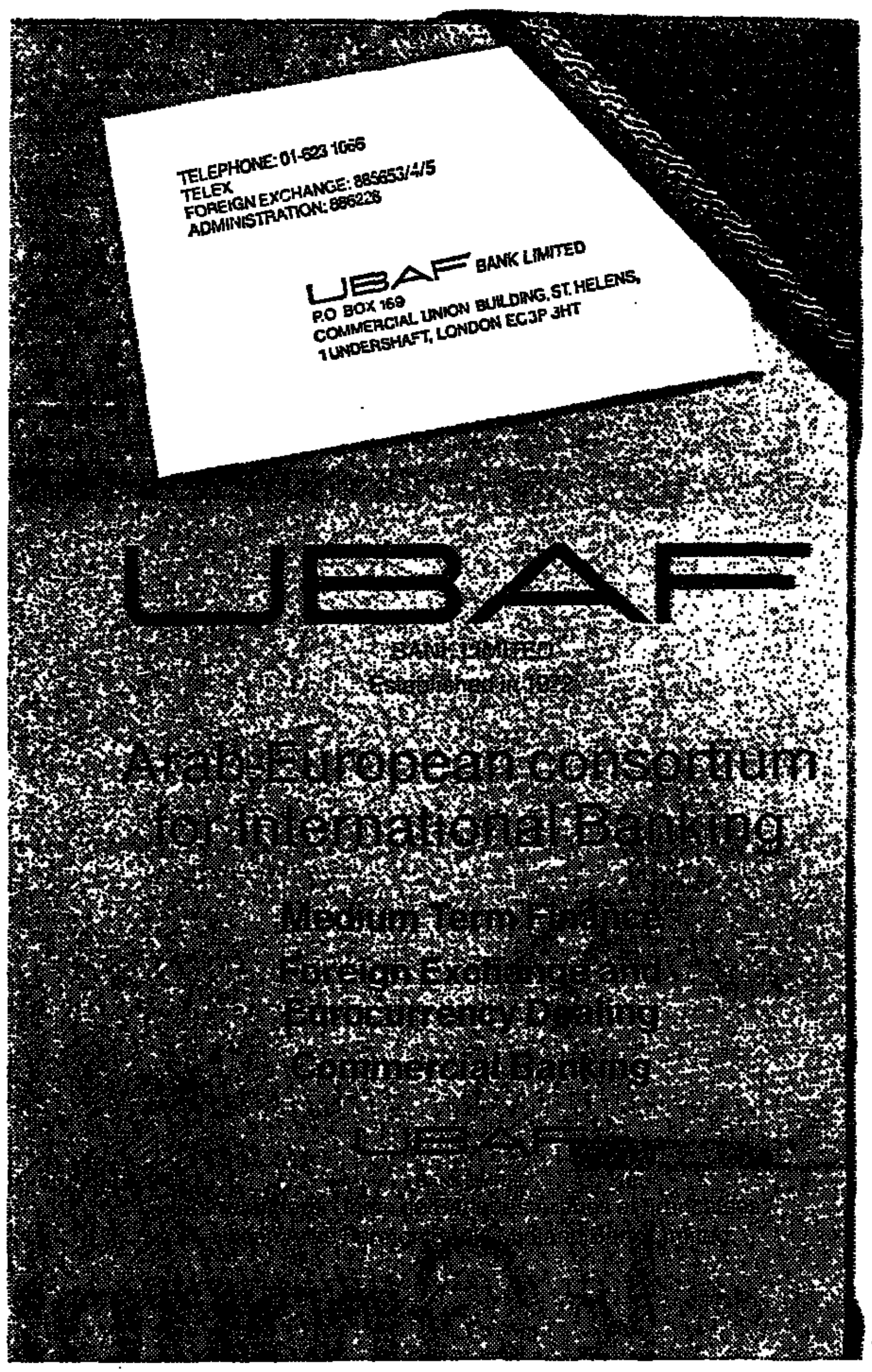
It is doubtful how far such an increase would reflect a real increase in demand. Fears of varying kinds have created nervousness in the "spot" market for crudes and there is the usual evidence of stockpil*ing in advance of an* expected increase at the Opec meeting at Abu Dhabi.

Prices of lighter crudes have been lifted by Saudi Arabia's decision to use the slack demand and extra sup*ply to bring the balance of* its production between li[ght] and *heavy* crudes more [in] line with its reserves.

The split of Saudi [sup]plies has changed from [tak]ing only 30 per cent heavy crudes to lifting [...] per cent. The policy [...] have had an addi[tional] *depressing effect* on its [out]put and has allowed be[tter] production in light [pro]ducers like Iran. [The] Saudis' action has been [seen] as an attempt to rec[...] total supplies to create [the] *necessary conditions* fo[r a] December price rise; there is little *evidence* [that] Opec members have red[uced] production for any re[ason] other than lack of deman[d].

Looking tow[ards] December, the reality [is] that the scope for a sh[arp] price rise is small witho[ut a] corresponding cut in [sup]plies. A 10 per cent [rise] could be too much [and] result in widespread [dis]counting; 5 per cent w[ould] hardly seem worth mak[ing]. It could be a stormy m[eet]ing.

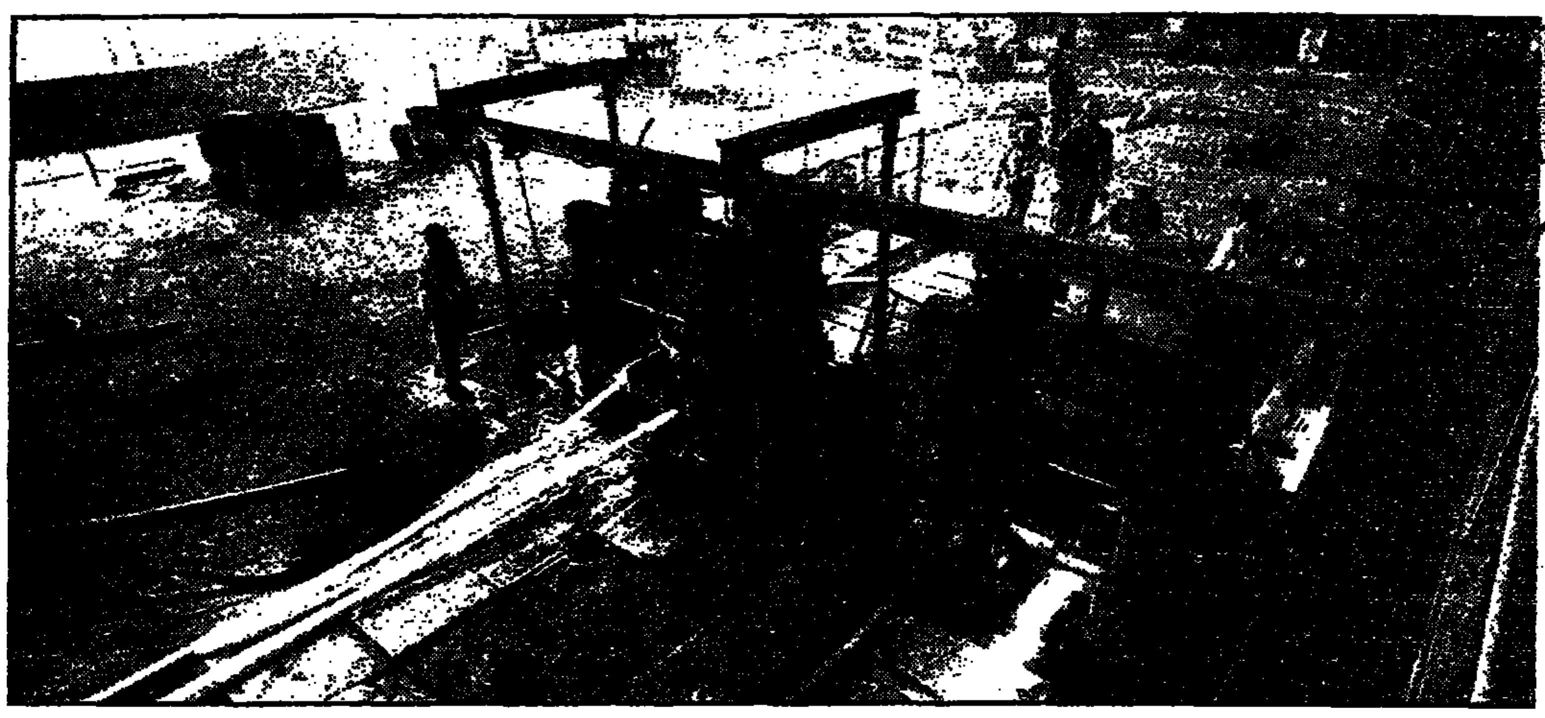
The author is Energy Co[rre]*spondent, The Times.*



Saudi Arabia

Champion of developing world

by David Shirreff


Work in progress in a steel rolling mill near Jiddah.

Having gained its own seat on the International Monetary Fund board this month, Saudi Arabia joins the five countries thought most qualified to solve the world's financial problems — the United States, West Germany, Japan, the United Kingdom and France. It does so because it is now the second biggest lender to the IMF, after the United States, having pledged $2,400m last year to the fund's special Witteveen facility.

The Saudis are hardly likely to bring great fiscal experience and knowledge to the IMF. But their presence must lessen fears that the country's huge foreign assets (possibly as much as $70,000m, invested mainly *short-term in western* economies, mainly in America), will suddenly be withdrawn or redistributed with dire consequences to world economic stability.

However, Saudi Arabia is also an Arab country and sees itself as the stronghold of Islam. If things came to a head, either in the Arab-Israeli conflict or in a confrontation between develop*ing Islamic states and* the industrial countries, consideration for western economic stability is likely to go out of the window.

Saudi moderation in the face of the more hawkish Opec members, pressing for oil price rises, and hard-line Arab states seeking heavier sanctions against Israel, can only prevail while Saudi religious and ethnic principles are not threatened. This is an important factor to remember when talking of Saudi Arabia's financial power and its capacity to support the West's economic system.

For Saudi Arabia has also set itself up as a champion of the developing world, distributing a larger proportion of its gdp (more than *10 per cent) on foreign* aid than any other country. Since 1975, besides direct government aid, it has committed more than $1,500m in loans to developing countries in Arabia, Africa, South America and other Islamic regions, through the Saudi Fund for Development. Hundreds of millions of dollars a year are also spent on military support for its *friendly neighbours, Egypt,* Jordan, and North Yemen.

Generous though this aid is, it should not be regarded as mere generosity. Saudi Arabia is attempting to stabilize a region which is inherently unstable, as an insurance policy for its own development.

Its domestic development programme is its major concern. Being a poor country, *apart from the one dominant* oil resource, Saudi Arabia has decided that most of the revenue accrued from oil, now about $50,000m a year, should be spent on developing its own economy. The emphasis of the second development plan (1975-80) was on creating basic services, and the third plan (1980-85) will concentrate on manufacturing, import substitution, and diversifying into heavy industries away from oil. This means enormous capital investment, and for the past two years the national budget has aimed to raise expenditure to the income from oil.

Saudi Arabia's purchasing power has made it one of the most attractive markets for capital goods, machinery, weapons, electronics, manpower and technology. Many western contractors now find themselves involved in vast contracts spanning several years, requiring support and often insurance from their own governments. Most Western countries have a vested interest in continued high exependiture by Saudi Arabia and this interest is well served by ever closer political alignment.

An inevitable side effect has been the development of a lively market in Saudi rials, as huge government contracts are bid for, guaranteed, financed and finally paid for. Since the Saudi banking system is poorly capitalized and strictly controlled by the Saudi Arabian Monetary Agency, Saudi rials have been easier and cheaper to find outside the country.

In 1976 and 1977 a collection of nearly 40 offshore banking units grew up in *Bahrain largely as an exten*sion of the Saudi market. Against SAMA's wishes a speculative market in rials also grew up, threatening to aggravate already significant fluctuations in lending rates for such a "thin" market as the rial.

With the slide in the value of the dollar putting pressure on the rial to revalue, SAMA finally acted in April *to discourage speculative* forward buying. It warned banks against such speculation, discouraged the offshore syndication of loans and bond issues in rials and, in June, refused permission for Union des Banques Arabes et Françaises in Paris to arrange a 250m rials ($75m) syndicated loan for Morocco. Reluctant to cross swords with SAMA the *Bahrain offshore banks and* other Saudi rial specialists have since refrained from public issues and syndications in rials.

But the bigest financial worry this year has been the falling dollar. It has meant an erosion, in terms of international buying power, of Saudi oil revenues and dollar assets in the United States. It has also strained the parity of the Saudi rial against other currencies, since the rial has never quite severed its ties with the dollar.

In 1975 the rial was officially pegged to the *IMF's special drawing rights* but it tended to follow a middle course as the dollar fell. In July 1977 SAMA revalued the rial against the dollar for the first time in two years. In the following months there were another 15 minor revaluations raising the rial a total of 6.1 per cent against the dollar.

A full-blooded revaluation late last year or early this might have preempted speculation in rials. But the Saudis had to think of their major debtors, the developing countries, and of the sudden increase in costs that a revaluation would have meant to their own development programmes.

Many believe that the rial must become more international, and that Saudi Arabia should open its domestic banking to foreign *enterprise, allowing* more than the present 10 foreign and joint-stock banks to operate freely.

The author is on the staff of the Middle East Economic Digest.

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Counting the cost of defying martial law in Teheran.

Iran

Authorities have contributed to business insecurity

by Nicholas Cumming-Bruce

Iranian politics was not, until recently, a subject of immediate interest to most of the western businessmen who have visited the country since the oil price rises of 1973. Whatever the uncertainties about Iran's long-term future, there were few evaluations of business and investment opportunities in Iran during that period which did not refer to the country's political stability. Now the seriousness of the challenge to the Shah's authority and the speed with which it has overtaken the country's affairs are forcing many firms to reappraise their prospects.

For many organizations, there may have been no real change in the facts of economic life that took them to Iran in the first place. But the inconclusive results of the recent visit by Mr Takeo Fukuda, the Japanese Prime Minister, point to the difficulties—on both sides of the negotiating table—of concluding business or setting up new deals in present circumstances.

Reports of a dramatic rise in the amounts of capital leaving Iran in recent weeks also reflect the effect of the country's political turmoil on business life. Riots and martial law have injected a sense of insecurity into life. But the authorities have made their own contribution to insecurity in business affairs with the arrest of former ministers and businessmen, by detaining many more, and by the orders preventing others from leaving the country.

Moves to clean up business life would not be premature, but the feeling that they have been prompted by political expediency will not reassure those formerly associated with government and do not appear to have alleviated pressure from the opposition.

The appointment of a new Government in August, the second in a year, has also contributed to the uncertainties of economic life. By keeping certain important economic posts in the same hands, the Government appears to have signalled its intention of maintaining the previous government's economic and fiscal policies.

Mr Mohammed Yeganeh has been kept on as Minister of Economy and Finance and Mr Mohammed Reza Amin remains Minister of Industry. Mr Hassan Ali Mehran, although new to the job of director of the Plan and Budget Organization, is a former Central Bank governor, who also served as Deputy Minister of Economy and Finance.

Some changes to the Government's economic programme are expected, however. Mr Sharif-Emami, the Prime Minister, has spoken of the need to cut "showcase" projects and the guidelines for the 1979-80 budget set out by Mr Jamshid Amouzegar, his predecessor, suggested that there was little cash in hand for more than those projects that had been already started.

No information is available on the new Government's intentions towards the sixth five-year plan, originally due to have come into effect with the start of the present Iranian year in March and any early statement of intent seems unlikely. Mr Yeganeh has already said that "the question of new economic policies is secondary, especially since the priority right now rests with the social and political problems of the nation".

These developments will exacerbate the problems of an economy already suffering a fall in its fortunes. Some economic indicators are healthy: Iran ended 1977-78 with a balance of payments surplus of $1,800m; the Central Bank's foreign exchange holdings were reported as $7,100m for the Iranian month ended June 21; and total foreign exchange holdings are thought to be closer to $10,000m. As an oil producer Iran is still able to command prime rates on its foreign borrowings, which are likely to exceed $2,000m this year.

But economic growth has fallen off sharply. GNP last Iranian year rose only 2.8 per cent in real terms after a 7 per cent fall in the oil sector. The slowdown has given the Government more time to reorder its development plans after the frenzied activities of 1973-76. It has also helped in the efforts to curb inflation, which has dropped from 17 per cent in March to about 8 per cent in June-July. But the slowdown has also brought fears of stagnation and a concern on the part of the authorities to achieve faster growth.

Industrial growth was put at a healthy 9 per cent in the last Iranian year, despite the serious loss of production because of extensive power failures. But results for this sector have been uneven. Strong local demand has helped some industries, such as motor vehicles and food processing, to maintain rapid growth. But others such as textiles have fared badly, and traditional industries such as carpets—one of the few to generate significant export earnings—have also fallen into difficulties. High labour costs are undermining the ability of Iranian firms to compete without protective import tariffs and are not matched by high productivity.

Agriculture, although a priority sector, continues to lag behind the rest of the economy. Food production has not kept pace with demand increases, necessitating substantial expenditure in recent years on food imports.

There has been pressure on the Ministry of Agriculture to justify the substantial rise in its budgetary allocations, but decisions on major policy issues have yet to be taken.

But of particular concern to the planners must be the decline in private investment during the past Iranian year, just at the stage when the authorities are looking to the private sector to carry a greater share of the country's development costs. Mr Amouzegar's Government worked hard to improve the climate of investment, notably by easing price controls on industry. But whatever its success, there will be little attraction in putting money into new ventures until critical political issues have been resolved.

The author is on the staff of the Middle East Economic Digest.

Rise in shares is result of confidence

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monetary statistics have already shown that the policy is beginning to work. There is now increasing confidence in the markets that the money supply growth is not exceeding objectives—indeed at present it appears to be undershooting.

It is still assumed that the rate of inflation will rise, but reasonable price stability seems assured for most of the rest of this year at least, and unless the Government's pay restraint programme slips farther than most observers believe it is felt that the return to double figures inflation next year could be short lived. On that basis there is some optimism that interest rates could fall from their present levels.

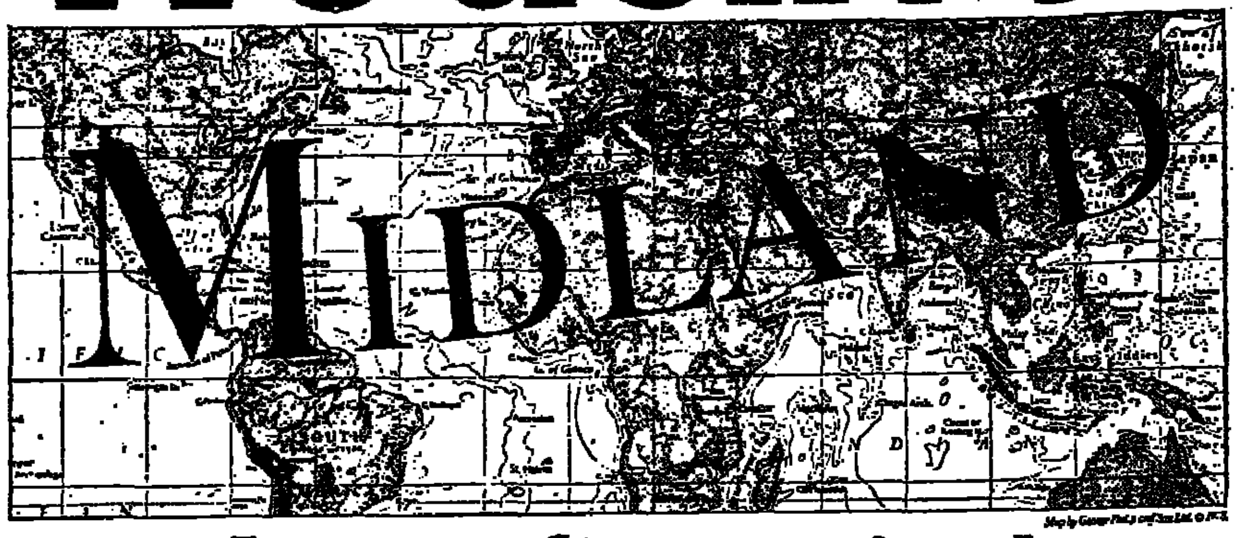
The other important factor for the equity market is the outlook for corporate profits and liquidity. Recent evidence from company results suggests that 1978 started poorly, especially for companies heavily dependent upon exports or overseas profits which have been affected by the strength of the pound in the second half of last year. But disappointing first half results, which suggest negligible first half profit growth, have frequently been accompanied by indications that the second half looks better.

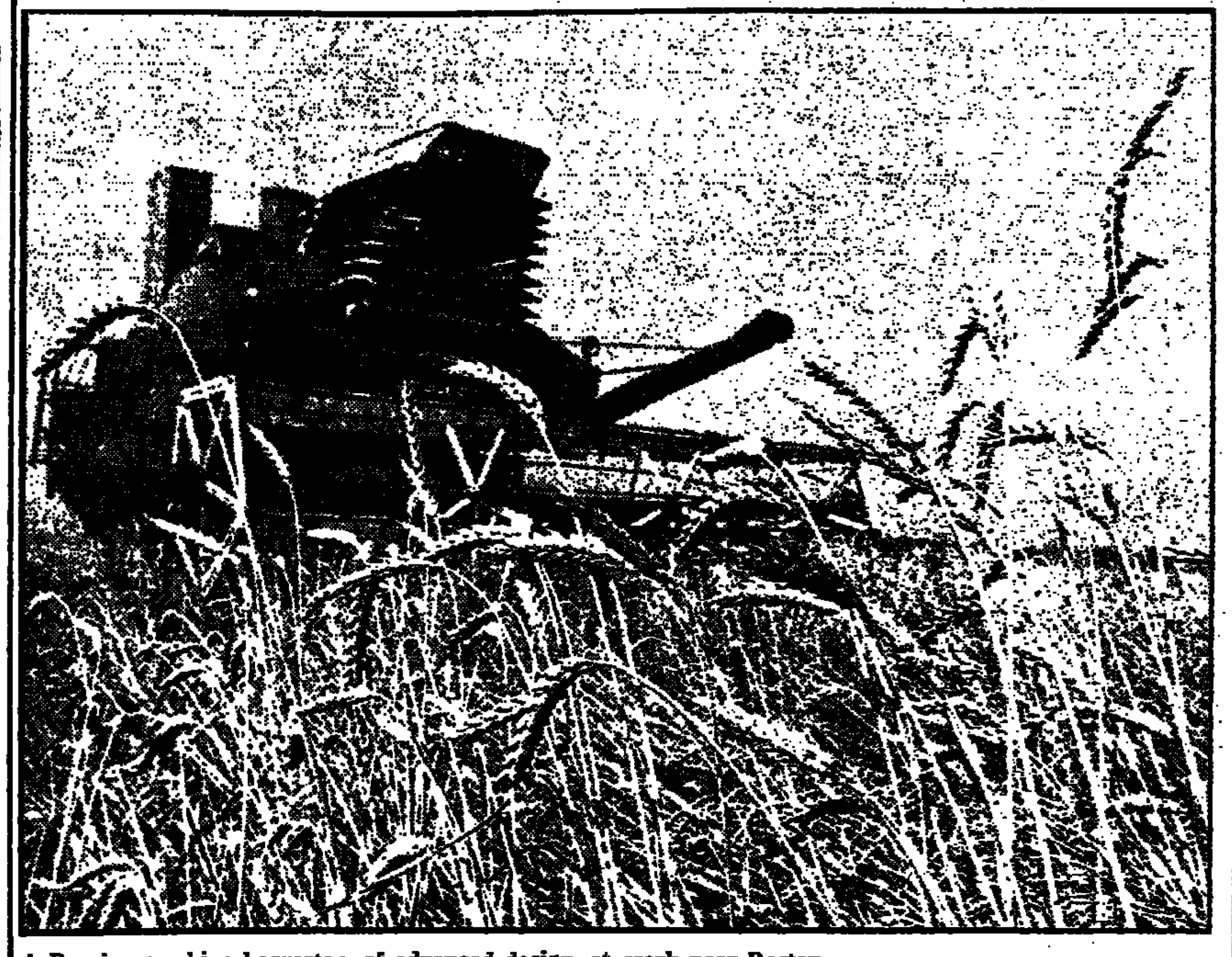
At home real living standards have been rising fast and the impact has been felt strongly in High Street spending. In some areas imports have been taking rising market shares, and many United Kingdom manufacturers have so far felt little benefit. But investment spending has been rising and the trend to higher corporate profitability is unmistakable. Stockbrokers Phillips & Drew think that profits could now be growing at an annual rate of 20 per cent.

Meanwhile, company balance sheets remain profitable. The combination of profit recovery, relatively low investment and a series of rights issues over the past three years has reduced gearing ratios to their lowest for some time. During the past few months demand for bank finance has been picking up, but it is still not clear that the trend is strong.

In technical terms the present high degree of liquidity has meant that the pace of equity funding through the market has slackened appreciably to the benefit of share prices. Until this year rights issues had been satisfying a big proportion of the appetite of the institutions for ordinary shares, and with fewer new shares on offer institutional buying has been channelled progressively into the market.

One result has been that share prices have continued to be highly volatile. Between mid-July and mid-August, for example, the *FT* Index rose by more than 50 points, and then fell back by 30 points in eight days. Such is now the institutional dominance of the equity market and such is the tendency to follow similar investment philosophies that large price fluctuations now appear to be a permanent feature of the stock market.





A Russian combine harvester, of advanced design, at work near Rostov.

Soviet Union

Growing shortage of energy

by Michael Binyon

The Soviet Union is half way through the present five year plan, and the performance of the economy over the past year is therefore a reasonably reliable indicator of how things will go in the next two years.

The results have been disappointing. The growth rate, though still respectable by Western standards, has slowed, and last year national income rose by only 3.5 per cent, the lowest increase since the Second World War. The modest 4 per cent growth target for 1978 is well below the 6 to 7 per cent typical of 1965-75, and the Soviet economy is falling increasingly behind that of the United States.

Figures for the first half of this year suggest that the Soviet Union is facing a growing shortage of energy, is hampered in its imports from the West by a shortage of hard currency, and is increasingly affected by the low productivity of its industry and the shortage of labour.

In 1977 industrial production is estimated to have increased by less than 5 per cent, and is planned to rise by only 4.5 per cent—the lowest for a generation—in 1978. This will probably set back the target dates for the present five-year plan by 12 to 18 months.

The officially reported increase in the value of all industrial production last year was 5.7 per cent. But a comparison of actual output with planned targets for major commodities suggests that the plan was not met, and the reported increase in the value of production included an element caused by unadmitted inflation, running at about 2 per cent.

Although the rise in output was a little better than in 1976, it was still one of the lowest since the war. The Soviet authorities have sought to present the decline in growth rates as part of a deliberate policy designed to improve efficiency and quality—the watchwords of all party economic policy—rather than maximize output.

They argue that this breathing space for technical reconstruction and modernization will in the end benefit the consumer. Western analysts however think this is more a case of making a virtue out of necessity, and that more valid reasons for the declining growth rates are the continuing inability of the construction sector to meet deadlines on new industrial projects, the need to divert resources for development in Siberia, local transport and fuel distribution problems, the wasteful use of materials, and above all falling productivity.

In the industrial sector the emphasis in the past year has been on getting things finished. Too often, it appears, grandiose projects are started with a burst of enthusiasm and money, then run out of steam. The focus shifts, workers are moved elsewhere and factories, power plants and so on remain half built. The Soviet leadership has emphasized continually the importance of carrying through to completion these thousands of stalled projects.

Less emphasis has been given to increasing the output of consumer goods and Western analysts believe these will continue to have low priority for the next few years.

In the agricultural sector last year's disappointments will probably be more than compensated for by what is expected to be a record harvest this year. There were mixed results in 1977. Except for cotton, all main crops including grain fell short of planned targets. But the livestock sector exceeded annual targets (though these had been revised downwards from those originally set for the present five-year plan).

Farm production fell well below target

Indeed last year gross agricultural production was almost 3,000m rbl below target. The grain harvest was 18 million tonnes short because of poor weather and a summer drought in Kazakhstan. And the failure to produce enough fertilizers or spare parts for farm machinery also contributed to the shortage.

Things look better this year. American experts who come over regularly to inspect the grain harvest to get an idea of probable Soviet imports, estimate a harvest of 220 million tonnes.

Even after allowing for drying and weeds, this would still yield abut 185 million tonnes of usable grain. This could mean that the livestock herds will be all right this year. The Russians, who are already short of meat in many provincial cities, seem to be gambling on a large slaughter this year, for so far they have not imported any meat from traditional suppliers such as Australia and Argentina.

Agriculture continues to be the Achilles' heel of the Soviet economy. The problem last year, as in every year, is largely that the labour force is old, female and poorly educated. This means that factory workers and the army have to be mobilized for the harvest, with consequent disruptions to industrial production.

Last year's figures suggested that the Russians have been reining in their imports from the West, to correct the large debt that has built up in East-West trade. In 1977 the Soviet deficit was converted into a small surplus. However, there is evidence that in the second half of the year imports from the West began rising again, as the Soviet debt has risen to $2,800m in the first six months of this year (reflecting purchases made earlier).

A large trade debt with the West should not worry the Russians with their large resources of gold and other valuable raw materials. But this year they are again being slow to buy from the West, possibly because they are waiting to see the harvest results and to find out how much hard currency they will have to spend on grain imports.

The rest, about 60 per cent, is trade with Eastern Europe and other members of Comecon. Within this sector the Russians saw their share of imports from Eastern Europe rise last year. The Soviet leadership is proceeding with plans to integrate and develop specialization among the East European trading partners.

The Soviet economy last year continued to perform sluggishly. A summer of long-term problems loomed closer on the horizon—the need for economic reforms to increase productivity, the need for capital and labour to develop Siberia, the increasing shortage of extractable oil and a critical manpower shortage.

The Soviet leadership, clearly concerned, still has not given any indication that it is prepared for any radical shake-up. The outlook for the rest of the five-year plan is not encouraging.

Comecon

Coordination still unrealized

by Kurt Weisskopf

Foreign trade reform and the quest for oil have been the main features of economic development in the Comecon countries during the past 12 months. But performance has been lack-lustre. Both problems are interrelated and remain unresolved.

At the end of June Comecon prime ministers and their retinues, which included planning chiefs and some key economic ministers, met in Bucharest for their thirty-second regular annual session and were unable to report much progress in economic integration. Their five-point plan proposed at the thirtieth session in Berlin in July, 1976, for close cooperation by 1990 was merely an expression of good intentions; not a directive for action. It covered raw materials, fuel and power; machinery construction; agriculture and food production; production of consumer goods and the modernization and expansion of public services. It was reaffirmed at the thirty-first session in Warsaw in June, 1977.

Two years have passed yet the long-term programme for coordination which ought to be Comecon's *raison d'être* is still a vague scheme. But a measure of cooperation is important to them; so the prime ministers agreed to approve the principles of the first three target programmes and committed themselves to complete drafts for their implementation by the end of 1979.

This leaves the Comecon countries where they have been for the past three years. Economically they have to fend for themselves to a much greater extent than up to the beginning of 1976 when their current five-year plans started. The days of cheap and ample raw materials from the Soviet Union are over.

On economic and political grounds the Soviet Union will not let its Comecon partners drift altogether. The Orenburg gas pipeline built as a joint project will come on stream in 1980 and provide them with adequate quantities of natural gas, and their longer-term energy supplies will be buttressed by the construction of several nuclear power stations, all of the conventional pressurized water type, in the western Ukraine and perhaps in Byelorussia which will feed electricity into the Comecon grid. But so far not even the sites have been chosen for any of them, so it is improbable that they will be on line before the middle or late 1980s.

The difficulties could hardly have come as a surprise. Herr Detlev Carsten Rohwedder, West German Secretary of State in the Economics Ministry, disclosed at a press conference in Leipzig last September that Mr Alexei Manchulo, Soviet Deputy Minister of Foreign Trade, had told him during talks in Moscow the Comecon countries would no longer be able to rely fully on Soviet economic backing. It seems Mr Manchulo indicated that they would have to increase their dealings with the West.

But oil is more essential than ever for the Comecon countries. Petrochemical capacities and production of synthetic fertilizers are important items among their economic priorities and construction of industrial installations is well advanced.

East Germany in particular has undertaken to supply oil purification plant to the Soviet Union against crude oil shipments. Similarly Czechoslovakia has just signed a pact on the delivery of gas and oil pipeline pumping installations to the Soviet Union. Yugoslavia's Adria pipeline, on stream next year, should provide some oil to both Hungary and Czechoslovakia. Poland is expanding oil port facilities at Gdynia as is East Germany at Rostock; but non-Soviet oil has to be paid for in convertible currency.

Nor is oil the only item to be bought for hard currencies. The Comecon countries, even highly proficient East Germany, still need Western high technology. The gap between them and the West has been widening. Meanwhile, probably not with full justification, their credit rating has deteriorated. Rationally most of them, particularly Hungary which this year has been economically buoyant, Czechoslovakia and East Germany should be good or very good risks.

Counter-trade as a substitute for credits has not really proved an alternative. There have been a few spectacular and widely reported deals such as Toyo's and Mitsui's contract for the construction of an aromatic plant at Schwedt and Citroën's successful bid for a front-wheel transmission plant at Zwickau, both in East Germany. But more generally Western attitudes to counter-trade have become cool. By and large the range of products Comecon countries have to offer on a counter-trade basis is limited and Comecon negotiating techniques so cumbersome and slow that the goods initially offered could be obsolete long before there is even talk of a contract.

It seems that the Comecon countries are aware of this problem which is inherent in their foreign trade structure giving foreign trade corporations, acting on behalf of the foreign trade monopoly, predominance over manufacturers. Hence during the past 12 months there have been important moves to reform foreign trade methods with the Hungarians, as so often, in the lead ahead of the East Germans.

In Hungary several manufacturing complexes have been vested with foreign trade rights. But the latest proposals include joint venture companies to be set up by the Hungarian foreign trade corporations and manufacturing enterprises. Eventually it is intended that the foreign trade corporations should share profits and risks with manufacturing enterprises and not simply act as their agents.

It is hoped that this will increase the flexibility of Hungarian enterprises on convertible currency markets and improve export chances. It would be an exaggeration that the foreign trade monopoly is now in tatters. But while in the past the foreign trade corporations and their adjuncts were guiding the export production of the manufacturing enterprises, henceforth their function is intended to be coordination.

While the Hungarian approach to the reorganization of foreign trade activities has been organic, the East German reform is largely institutional. Manufacturing enterprises are being amalgamated into so-called *Kombinate*, perhaps best translated as trusts or concerns. They represent a merger under a single management of enterprises producing a specific group of products or interrelated groups. The East German authorities expect—and their expectations have never been known to remain unrequited—that by the end of 1979 most if not all industrial enterprises will have been absorbed by *Kombinate*.

The author is editor of Eastern Europe bulletin published by the London Chamber of Commerce and Industry.

Scandinavia

Some success in restoring economies

by Geoffrey Smith

This has been the year when things have not gone so badly in Scandinavia as they might have done. Twelve months ago it seemed that the Scandinavian economic miracle had turned sour.

The prosperity and exceedingly high standards of living that these countries had enjoyed for years had bred complacent habits: a readiness to accumulate massive burdens of foreign debt rather than cut back consumption when the balance of payments got into difficulties; weak defences against inflation; and possibly a tendency to take things a bit too easily. With the obvious exception of Norwegian oil, the miraculous Scandinavian economies were becoming distinctly less competitive.

The past 12 months, however, have shown some evidence of the Scandinavian powers of recovery. The recovery has not been uniform; it has not gone as far as one would like; but one has to set these developments in the context of the generally depressing international trading scene.

In this year Sweden caused the most unease, not because its plight was worst but because of the sense of shock that it was in any serious economic plight at all. After successive devaluations last year it has this year curbed its rate of inflation. The round of wage settlements earlier in the year was reasonably encouraging and the level of orders for industry has been improving.

This does not mean that the Swedish economic crisis is over. The level of unemployment is high by Swedish standards: at 2.7 per cent in August, it was at the highest point for six years. There is also a good deal of concealed unemployment—though that is not a new development in Sweden—without any immediate prospect of improvement. That is largely the result of the Government's austerity programme, which has had a severe effect upon capital investment.

But it has also had more desirable consequences. It has improved the balance of payments. There is a greater mood of confidence than there was a year ago and a feeling that the country has been prepared to face its difficulties realistically.

Finland is the country that a little while ago seemed to be facing the most intractable economic problems because it had such a high rate of inflation, such an enormous burden of foreign debt and so many of its companies were not equipped for exporting. This meant that unless there was an unexpected rate of advance in international trade and in Europe in particular, there was no immediate prospect of recovery.

However, a combination of devaluations, which between them reduced the value of the Finnmark by 16 per cent, and restrictive monetary and fiscal policies, especially earlier in the year, have brought about a partial improvement. The balance of payments is in surplus and the rate of inflation has been sharply reduced, even though the level of unemployment is disturbingly high. A determined policy has been pursued in the effort to secure a greater measure of competitiveness for Finnish industry.

For years Denmark has had a conspicuously high standard of living, rapid inflation, a chronic balance of payments problem, a weak currency and an inexorably rising burden of foreign debt. This position has not changed substantially in the course of the past year. Both inflation and unemployment are in double figures. There will be another massive payments deficit this year, although it is not expected to be quite as large as last year; and most Danes continue to enjoy their enviable standard of living.

The one change of significance is political, although it may have an important bearing on economic developments. At the end of August the Liberals joined the Social Democrats in government to form the strongest administration, at least on paper, that Denmark has had for some years.

This means that Denmark should at last have a government with the political strength to put through the austerity programme that the country has long needed and that other Scandinavian countries have imposed on themselves this year. The question that remains is whether even this government will be strong enough to impose its will over the objections of the trade unions.

Norway is in a special position because of its oil, but this has had both favourable and unfavourable effects. It has provided the security for Norway to accumulate a massive burden of foreign debt as an act of deliberate policy. But it has also led to wage costs soaring, with disturbing effects on other industries and on the rate of inflation in general.

It was for that reason that on September 15 the Government announced a wage and price freeze to last until the end of next year. It is estimated that this draconian measure should cut the rate of inflation from about 8 per cent to approximately 4 per cent. It should also help to improve the international competitiveness of Norway's non-oil industries which has been severely impaired.

But much will depend upon whether the Government can maintain such a restrictive policy for such a length of time.

Australia

Tough budget is attempt to push inflation rate down

by Robert Gottliebsen

Mr Malcolm Fraser, the Australian Prime Minister, has set as his target the 3 to 4 per cent inflation rate of Japan and Germany. Yet there are doubts whether he can achieve this without considerable domestic problems including further rises in unemployment.

For the year ended June 30, 1976, the rate of inflation in consumer prices was 12.6 per cent; in 1977-78 it was 7.9 per cent and the Government is hoping for a 6 per cent rate in 1978-79.

The Government has attempted to achieve this 6 per cent rate through a harsh budget restricting consumer spending. It will result in further unemployment.

One of the most likely areas for substantial improvement in Australia is in rural products such as wool, and this is expected to contribute well to a 40 per cent rise in farm incomes.

As the inflation rate falls, however, the Australian currency is looking stronger and, since the budget, the share market has risen strongly, reflecting investment from abroad.

But, while the share market booms, the economy remains depressed. The trade unions, which in better trading times established a world reputation for militancy, are gradually being brought to heel by the total of 393,000 unemployed.

This could rise to about 500,000 out of a workforce of some six million.

Nevertheless, the unions have not entirely dropped their militancy and the level of industrial disputes is not likely to fall. There is a vigorous dispute between the main Australian wage-fixing authority, the Arbitration Commission, and the Government. The Government wants the commission to be tougher in the awards it hands down.

This dispute is symptomatic of a national division over the cost to the economy of the anti-inflationary policy. Only a prime minister with Mr Fraser's majority in Parliament would have been able to maintain such a strong line.

The Government believes that if it brings inflation and interest rates down it will help a number of large projects and enable many companies to reenter the export trade. Probably the most promising area in secondary industry is the development of large plants to take advantage of Australian power costs. An example is the CRA-Kaiser-owned Comalco's decision to build an aluminium plant at Gladstone, Queensland.

Meanwhile, Australia's gross domestic product expressed in 1974-75 prices rose by only 1.4 per cent in 1977-78, well below the 4 per cent of the previous year.

For the first time for years, while exports rose to $538m, there was a fall in stocks so that exports did not contribute to the growth in gdp. One of the principal growth areas was private building and construction and plant and equipment.

There have been a number of important coal-mining projects, but probably most of the growth arose from the chemical industry and the large number of retail shopping centres in the suburbs of Australian state capitals.

Another important factor has been the widespread investment by Australian companies in installing plant to reduce labour and produce more efficiently.

This year the Government expects a growth rate of 4 per cent, but this would appear optimistic. The most likely area for substantial improvement is in rural products, where production of wheat, coarse grains, beef and wool are all likely to contribute well to an expected 40 per cent rise in farm incomes.

The farming recovery could not have come at a better time, for 1978-79 does not appear likely to be profitable in mining. Iron ore exports are slack as the Japanese move to cut back both the quantity of ore purchased and its price.

Australia is paying a high price, too, for heavy dependence on the Japanese. The iron ore exporters are working hard to find new markets; the most promising one appears to be China. Coal is also being affected by the Japanese cutbacks, but not to the same extent. One of the strongest remaining mineral exports is alumina and aluminium.

A year ago it was hoped that Australia would have been much closer to signing uranium export contracts and have the Northern Territory projects working. Considerable problems, however, had been met in reconciling mining plans with those of the Aboriginal community.

A vocal but nevertheless substantial section of Australians oppose uranium mining and development will not be easy. In Western Australia, Western Mining has signed an agreement which effectively enables it to have a 75 per cent interest with an overseas group in a uranium mine at no cost.

This deal indicates the sort of impact Australian uranium exports could have on both the national economy and the world uranium market.

Australia has been moving to world oil prices gradually and in the latest budget the Government imposed taxes to price oil at world parity leaving intact the substantial revenues made by Esso and Broken Hill Proprietary, Australia's main oil producers.

Two of the most depressed sectors of the Australian economy have been motor vehicles and the building industry.

The Government has cut sales tax on cars and allowed more loans for housing. The sales tax on cars will help demand although the Australian industry has problems reflecting the fact that most of the world's motor makers have plants "down under".

The building industry's main hope for recovery is that the Government's strategy will work. Meanwhile, it faces a tough time and in the year ahead Canberra is banking on its anti-inflationary policy to attract overseas investment to help to lower interest rates.

The author is on the staff of the Australian Financial Review.

Canada

Bonn mots persuade Mr Trudeau to turn right

by John Best

The Bonn economic summit in July marked a decisive turning point for Canada. Mr Pierre Trudeau, the Prime Minister, came back from the conference determined to change the country's economic direction to hard right.

Just what influenced Mr Trudeau at the summit would be hard to define. Whatever it was, it was reinforced apparently by three days of intensive discussions he had immediately afterwards with the West German Chancellor, Herr Helmut Schmidt. Herr Schmidt is a Social Democrat through and through, but he knows enough to allow West German business plenty of elbow room.

In any event within a day or so of his return to Ottawa, Mr Trudeau went on television to tell the Canadian people that his Government had decided to cut $2,000m from its spending estimates.

Later, Mr Robert Andras, President of the Treasury Board, placed the cut in spending at $2,500m and said it would result in the dismissal of up to 5,000 civil servants.

"We are making a definite effort to get off the backs of the people and give the private sector room to manoeuvre", Mr Andras said.

Such statements indicate a remarkable change in government philosophy. Less than three years ago, Mr Trudeau caused an uproar in business circles by musing publicly about the need for greater government intervention in the economy.

There is no doubt that the economy is in need of some stiff medicine. Growth has been slow for some time, unemployment is above 8 per cent and may be up to 10 per cent again this winter, and inflation seems beyond anybody's ability to bring under proper control. It was last reported to be running at 9.4 per cent annually.

Concern about a possible fall in the American economy, to which the Canadian economy is closely tied, accompanied by an increase in the American inflation rate, adds to the bleak picture.

The fact that a separatist Government is in power in Quebec—pledged to bring about the independence of that French-speaking, central province, the second largest province in Canada—is a further depressing element.

It is difficult to quantify this. The situation in Quebec has stabilized since the somewhat ominous period immediately after the election of the Parti Québecois Government in 1976, and the number of English-speaking people leaving the province has probably fallen. This undoubtedly has something to do with the fact that the pro-federalist Liberal Party, which previously formed the government, has a vigorous new leader in former newspaper publisher Mr Claude Ryan, and is rated at least an even bet to regain power after the next election in 1980.

Before then, however, a referendum on independence is due to be held and the tempest that the referendum campaign is sure to cause could adversely affect the economic climate. As it is, unemployment is higher and business expansion slower in Quebec than in most of Canada; but this is nothing new.

Canada's contribution to the economic-revival package agreed upon by heads of government at the Bonn summit was a commitment to achieve real growth of 5 per cent this year. This amounted to no more than a reiteration of the goal which the Government had already set for 1978.

Most economists consider it extremely doubtful that the country will come anywhere near reaching the target, which is the bare minimum required to stop unemployment getting worse this winter than last, when it reached one million.

The gross national product grew by 1.1 per cent in real terms in the second quarter to $230,000m seasonally-adjusted at an annual rate. This was better than the 0.7 per cent increase recorded in the first quarter; but a much greater surge will be required in the third and fourth quarters if the Government's target is to be achieved. Independent business and research groups have projected growth for the year in the 3.5 per cent range. Last year gnp grew by a mere 2.8 per cent.

The thing that has perhaps been hurting the Government most in its efforts to revive the economy is the uncertain attitude of business. It is to rekindle the confidence of business, and thereby spur investment and other forms of risk-taking, that the Government has now moved to reduce spending and actually lay off a large number of civil servants.

One direct effect is likely to be a reduction in the size of this fiscal year's budgetary deficit, which as things were going is likely to reach $12,000m or more. For a country of 24 million people this is enormous, greater than the entire federal spending budget when Mr Trudeau assumed power 10 years ago.

How business responds to the new government initiative is nevertheless a matter for conjecture. The immediate reaction was not entirely favourable; not so much because of the nature of the Government's proposals but because of the clumsy way in which they were presented to the public.

The Government made the mistake of failing to spell out its intentions clearly, and also at one point of rolling some fairly fundamental changes in social security programmes in with the programme to shore up the Canadian economy.

At a press conference Mr Jean Chrétien, who took over as Finance Minister a year ago, failed to provide coherent replies to questions about the effect of some massive redirection of government spending.

The result was widespread confusion and much grumbling on the part of both the public and the business community. Hardly an auspicious beginning for the Government's new-look economic strategy.

Southern Africa

Out of recessionary woods but still in shadows

by Ray Kennedy

When the price of gold went through the $200 barrier there was happy speculation in South Africa that tax cuts were near. Earnings from gold would be about R3,500m (£2,108m) this year, R700m more than in 1977 which was the best year so far.

More than R1,000m have been added to the value of gold shares on the Johannesburg Stock Exchange this year. South Africans have had every reason to believe that the economy was emerging from its three-year recession and that they could expect a share of the cake.

In the face of the economic facts it has not taken long for the excitement to die down. Although South Africa may be emerging from the recessionary woods there is some way to go before the trees are left behind.

The trouble, as Mr Vorster, the retiring Prime Minister, pointed out to a consumer congress in Pretoria last month, is that it is doubtful whether South Africa can attract sufficient foreign capital to raise economic growth above the 3 per cent expected this year.

Almost every economic survey, including the official economic development programme, has said that a growth rate of about double will be needed to find jobs for new labour coming on to the market, let alone make any inroad on the existing level of unemployment.

Unemployment is one of the most serious problems bedevilling the South African scene. The Department of Statistics says that black unemployment in February was 569,000 but private sector economists consider this is an understatement. Some studies put the figure at more than two million—about 14 per cent of the black population economically active.

Traditionally South Africa is a capital importing country. Mr Owen Horwood, the Finance Minister, admits that recently it has become a capital exporting country in respect of short-term funds, partly because of substantial amounts being repaid on foreign loans. Although long-term capital is still coming in, it is at a diminished level.

Without capital there can be little growth and without growth there will be more jobless which is certainly not a climate in which the Government can consider basic tax cuts.

Mr Vorster's acceptance of a 3 per cent rise in economic growth this year contrasts sharply with the 1974-79 economic development programme which stated: "If the aim is not merely to keep the number of unemployed blacks constant but actually to decrease this figure, the real gdp will have to grow at a considerably faster rate than 6 per cent a year.".

The other major problem facing South Africa's economic planners is the rand currency's link with the American dollar at a fixed rate of R1=$1.15. This means that the rand has been tumbling against other currencies including the pound and this has added to the price of imports.

The economic debate over rand rate policy is one of the most serious bedevilling South African economic planning. The 17.5 per cent devaluation in 1975 hit the economy hard at a time when exports were falling, and imports increasing; more important at a time when gold-mining costs were soaring in excess of more than 12 per cent a year.

Although there is a need to increase the net foreign capital inflow devaluation of the rand is probably not the right way to do it.

The South African economy is at a crossroad. It needs to expand but must have the foreign capital infusion to keep going. It can do so only if foreign confidence in the domestic scene improves.

Mr Harry Oppenheimer, chairman of Anglo American Corporation, pointed out in his recent review of the group's activities, that it is not for moral reasons that money has not flowed from overseas into South Africa, but because of possible political instability. He maintained that political anxieties have a greater effect when a country is in recession and that the need now, in South Africa's case, is for a renewed flow of investment funds from overseas on a large scale.

But if South Africa remains in the economic doldrums, the outlook for neighbouring Rhodesia and Zambia, farther north, is much worse. South Africans blame Zambia's economic mess on its border closure with Rhodesia and it is one of the economic ironies of present day Southern Africa that copper cargoes from Zaire are finding their way to South Africa for export while Zambia itself is still enforcing a force majeure on shipments.

The Zairean copper cargoes trundle through Zambia and Rhodesia bound for the South African port of East London while Zambian copper stands still. And nobody ever suggested that President Mobuto was an economic expert.

One only has to take in the number of distinctive Rhodesian number plates on cars on Johannesburg's streets to realize that the flight of whites is rapidly getting to the size of that from Mozambique and Angola before the collapse of Portuguese colonialism.

Like South Africa, Rhodesia is paying "through the nose" for its defensive posture. But unlike South Africa it is no longer a case of butter or bullets in Salisbury. Both commodities are running out. For white Southern Africa the message is now writ large. Significant changes will be required before Western trading partners, sitting on their investments but not expanding them, will extend their risk.

China

Excessive imports may lead to huge debts by 1980

by David Bonavia

Financially this has been China's most adventurous year since 1972. The carrying out of the "Four Modernizations" programme announced by the late Chou En-lai more than three years ago, when he was Prime Minister, now seems to be really under way.

So far this has been mainly a year of searching for the best buys for the advanced industrial society which China hopes to become by the end of the century, but it cannot be long before the orders start rolling in.

A more active import policy by China is almost certain to mean a bigger role for the Western banking community, both in putting together the funds which China needs to buy its new hardware and in finding ways to make this politically acceptable.

Only in the peculiarly ambiguous context of Chinese politics could this development be seen both as a negation and a continuation of the policies of the late Mao Tse-tung, who died nearly two years ago.

His successors have resurrected a speech he made in 1956, recommending special attention for established large industries in coastal areas as the only basis on which industrial development could later be spread more evenly round the country.

The fact that Mao later seemed to reverse this view has not deterred the present leadership from taking it as the foundation for a big programme of advanced industrial development which must of necessity be concentrated on large established industries and not on the rural workshops to which Mao later attached so much importance.

Mao, to be sure, saw the need for attention to certain advanced sectors such as aviation and nuclear power, regardless of the political deviation implied. But the small group of "radical" theorists around him tried hard to resist any wider Chinese commitment to the technology of the advanced world. An abusive political campaign which they carried on in 1974-75 had many people wondering whether China would ever become a main importer of industrial plant.

Nevertheless, the deals completed earlier when Chou En-lai and his supporters had more political sway went ahead, though mostly behind schedule and with severe difficulties of communication between Chinese and foreign engineers. Now the Government is preparing to send huge numbers of students abroad, to ensure that in future the explanation of blueprints will not cause so much difficulty.

It was particularly gratifying for Britain that the Chinese gave such a good reception to Mr Edmund Dell, the trade secretary, when he went there in August, often predicting a massive increase in Anglo-Chinese trade in the next few years. But as Mr Dell well knows, this is a two-way process, and Chinese goodwill towards Britain will be shown in import deals only if British suppliers can show competitive prices.

Britain's interest in a bigger share of the Chinese market should be particularly keen, now that it may become linked with three-way deals to speed development of Hongkong and its economic links with the mainland. A hovercraft service up the Pearl river to Canton, small trade fairs just across the border, blandishments to capitalist Chinese businessmen to invest in mainland industry, and a possible joint electricity generating deal may all be seen as China's way of showing it has no intention of trying to strangle Hongkong in the near future.

There is, however, a slightly less optimistic school of thought in Hongkong now. For the first time Chinese officials have begun talking openly about the expiry of the territory's lease in 1997.

The tone is cheerful: "Make your money while you can, you still have nearly 20 years to go." But many people interested in the long-term future of Hongkong had been hoping to get some stronger indication by now that the Chinese Government would seek some subtle way round the lease expiry and just let Hongkong keep on going, in the interests of all concerned.

Now there is mild concern that Peking may be so intoxicated with its own prospects of modernization, through oil and coal exports and technology imports, that it might see some possibility of reabsorbing Hongkong in 19 years.

This is almost certainly unrealistic, but some people are speculating over China's recent purchases of land for industrial and real estate purposes in Hongkong. If this is the beginning of a gradual absorption policy, there will be a genuine crisis of confidence in the mid-1980s among international investors.

The Peking-Hongkong relationship reflects the degree of realism prevailing in Peking about the economic future. With a population still increasing every year by more than that of the whole of Australia, an agriculture showing little chance of keeping pace and the likelihood of massive debts by 1980 through excessive imports, China's financial future is not as bright as might have been assumed last year when people were still wildly excited at the downfall of the radicals.

Nevertheless with foreign trade likely to reach $25,000m this year, buyers swarming over Britain's factories and arms plants, and the Chinese more cheery and relaxed than they have been for 12 years, it would seem churlish to pour too much cold water on their optimism at this stage.

What most worries thoughtful students of Chinese affairs is whether the social structure, with a large peasantry, a modest workforce, and an intelligentsia once more enjoying privileges which brought it the anger and contempt of a whole generation of Chinese youth in the 1960s, may not hold bigger problems than appear on the surface.

From the Western businessman's point of view, however, the lesson of East Europe has been that as communist governments get into deeper trouble and no longer see so much virtue in internal repression, they turn increasingly to the capitalist world to bail them out. In China's case the implications of a long-term economic relationship with the west are too interesting to justify great pessimism.

Agriculture has little chance of keeping pace with a population that increases every year by more than that of the whole of Australia.

South-east Asia

ASEAN sets seal on future economic cooperation

by Ranjit Gill

For the countries of the Association of South-east Asia Nations (ASEAN) 1978 will probably be remembered as the year in which the seal on future cooperation in economic matters was set. Just as important, the year has shaped and set in motion the financial policies that individual countries are likely to pursue over the next five years.

One development in particular highlighted the different levels of economic development that exist among the ASEAN partners. Singapore managed, after a year's negotiations, to persuade the IMF that the small city-state does deserve to be classified as a developing country at present. It argued that though officially the per capita income has risen to more than $2,500, in reality, after allowing for the high-level incomes of non-residents and expatriates, it was less than $2,000.

Singapore's rejection of the IMF's recognition of the republic's successful economic policies means that it will still be able to obtain soft loans and have its exports treated favourably.

Also it will enjoy part of the proceeds from gold sales by the IMF which in turn is intended to be doled out as assistance for the third world countries still battling against rampant poverty. At the other end of the scale, Singapore's neighbours, Indonesia and Thailand, recorded per capita incomes of less than $500 and $800 respectively.

In between these extremes is Malaysia, the one ASEAN country that appears exceptionally well-endowed with all the ingredients that inevitably ensure economic prosperity. High prices for its rubber, tin and palm oil, and the increased production of crude oil, at present running at 200,000 barrels a day, enabled it to have a balance of payments surplus of more than $M2,000m last year.

This year, however, the outlook is less rosy. Oil palm prices have dropped, tin and rubber production has stalled at about 1976's output, and imports are rising in comparison against exports. Signs are that Malaysia would be fortunate to record a balance of payment of between $M800m and $M1,000m this year.

New manufacturing projects approved by the Government in 1977 numbered 400, down from 425 in 1976 and 461 in 1975. The called-up capital for these projects dropped from $M458m in 1976 to $M357m in 1977.

This trend, which is causing the authorities some anxiety, appears to have continued during the first five months of this year. Approval was given for 117 new manufacturing projects with a paid-up capital of $M132m, marginally lower than for the same period in 1977.

New investment and plant expansion applications, however, have increased from an average of 36 a month in 1977 to nearly 39 this year. According to the IMF a projected stagnation in Indonesian oil revenue, which totalled $4,500m in 1977, could severely constrain the country's development spending.

It is predicted that the levelling-off of oil revenue, the result of reduced offshore oil exploration since 1975, and a drop in production to 1,600,000 barrels a day will put new pressures on the authorities to mobilize more public funds from non-oil sources for development projects.

In 1977 Indonesia enjoyed a real growth of between 7 per cent and 8 per cent led by gains in exports. It also enjoyed a balance of payments surplus of $648m for the fiscal year 1977-78. Inflation was held down at about 10 per cent. Rice production in Indonesia remained at about 1976 levels, at 15,800,000 tons, below the targeted 17,200,000 tons, consequently Indonesia imported 2,200,000 tons of rice, and is expected to repeat such imports this year.

The growth of commercial bank credit to state enterprises in Indonesia slowed to 12 per cent in 1977 from 29 per cent a year earlier while the growth of credit to the private sector slowed from 26 per cent to 19 per cent.

Indonesia's total external debt, excluding certain debts from Pertamina, the state oil corporation, reached $11,500m at the end of last year, up by $1,300m from the previous year.

ASEAN's northernmost partner, Thailand, at present going through a critical diplomatic phase in its efforts to reestablish ties with Vietnam and other Indo-Chinese neighbours, is looking to 1978 to signal a turn-around from three economically depressing years since the oil crisis.

With imports outstripping exports last year, the country suffered for the first time a deficit of about $1,000m. The balance of payments also plunged to a record deficit of about $250m. The country's gross domestic product declined from 8.2 per cent in 1976 to 6.2 per cent last year.

The consumer index was up to an average 8 per cent—almost double the 4.2 per cent rate in 1976.

Thailand's increased oil bill, which last year stood at $1,100m, representing 23 per cent of the value of ail imports, is blamed for the disappointing economic performance. Previously the nation's oil bill totalied 4 per cent of its total imports.

Considerable quantities of natural gas have been discovered in the Gulf of Thailand and a multi-million dollar pipeline is being built to pipe the gas ashore. By 1983 Thailand expects to save some $800m on its energy bill, then projected to rise to $1,500m annually.

The authorities are banking on increased agricultural exports to compensate for a drop in other commodities—a net overall increase of 0.3 per cent in export value over last year's figure of $3,500m.

The Philippines is aiming for a 13 per cent increase in its gross national product this year to reach $23,800m. A 5 per cent to 10 per cent increase in exports, which is estimated at between $2,500m and $3,000m for last year, is being aimed at. Manufactured exports are expected to account for $900m this year.

An annual growth in gnp of 6 per cent in real terms for the next five years has been targeted. Last year it was 6 per cent. Total foreign investment in 1977 reached $138m compared to $118m in 1976.

For Singapore, ASEAN's success story, three sets of figures tell the story. Exports increased in 1977 by 24 per cent to $8,300m. The gross domestic product rose by 7.8 per cent to $3,830m, and total foreign reserves stood at $3,720m.

هكذا من الإهمال

High rubber prices help make Malaysia rich.

North and South Korea

Market rivalry between two nations is abandoned

by Simon Scott Plummer

Tragically embroiled in the struggle between communism and the West the Korean peninsula has split into two distinct societies held rigorously apart by force of arms. Comparisons of economic performance on either side of the 38th Parallel should be treated with caution; whereas the South issues full and reliable statistics, those from the North are fragmentary and apparently selected for propaganda purposes.

Partition at the end of the Second World War left one side (the North) with most of the heavy industry and mineral resources and the other with the bulk of light industry and agriculture. Each has tried to remedy deficiencies. Agriculture in the North is highly mechanized and makes great use of fertilizer while heavy industry in the South has broken into world markets with its steel, ships and machinery.

The North continues to enjoy superiority in minerals, including coal, iron ore, lead, zinc, tungsten, and manganese, and is far less dependent on fuel imports than the South. It also produces a wider variety of military equipment than its rival, though the latter intends to close this gap by the early 1980s.

South Korea's main achievement has been economic growth. The latest estimates of comparative performance show that its gross national product more than tripled between 1965 and 1976 to $21,613m (in 1975 prices) and its per capita gnp rose from $245 to $605. GNP in the North more than doubled to $10,000m and per capita gnp went up from $375 to $590. By 1981 the figures for the South (again in 1975 prices) are expected to be $34,000m and $875, and for the North $13,000m and $650.

In a new year speech on January 18 President Park Chung-hee of South Korea said: "In terms of economy the competition is already over ... we are at least 10 to 15 years ahead.... In 10 to 15 years more our Republic of Korea will become a major economic power."

It is believed that President Kim Il-sung of North Korea has abandoned the idea of direct economic competition with the South after the dismal failure of the last six-year plan (1971-76).

Apparently impressed by progress in the South, as reported by North Korean negotiators who visited Seoul for reunification talks in 1973, the President ordered large quantities of machinery and equipment from Japan and Western Europe. These purchases coincided with a worsening market for North Korea's exports, including iron ore and textiles, and steep rises in its oil import bill.

By the end of 1976 North Korea had accumulated an estimated $2,400m worth of foreign debt, about 25 per cent of gnp. Of this, $1,400m was owed to Japan and the West, and the rest to the communist world, mainly the Soviet Union. Pyongyang started to default on debt payments in 1975, supposedly the first communist country to do so, since when imports have been cut and debts rescheduled.

Launching of the new development plan was postponed while the North took stock of a disastrous situation. Big changes, particularly in the economic sphere, were made in the Government last December.

The new plan (1978-84) projects slower growth than in the past and in many cases its targets are believed to be equal or below those originally proposed for 1974. Nevertheless, some outside observers doubt whether they can be met with regard to electric power, steel and cement and feel that an industrial growth rate of 12 per cent a year is unrealistic.

Their pessimism is based on North Korea's exceptionally heavy military expenditure (about 17 per cent of gnp as compared with about 7 per cent for the South) and the high cost of keeping 12 per cent of males of military age in the armed forces; severe droughts which have affected food and hydroelectric power production; shortage of skilled labour; a defective transport system; and inability to pay for imports of machinery.

The Russians appear to be taking an extremely tough line as far as further aid to North Korea is concerned. However, it is thought that the Chinese leader, Mr Hua Kuo-feng, may have offered oil at greatly reduced rates when he visited Pyongyang in May. Help in building a petrochemical plant is believed to have been discussed also.

For the government in South Korea the main ... cerns in recent months h... been inflation and reacl... the 1978 export target ... $12,500m.

In June interest rates w... raised in an attempt ... counter excessive liqui... caused by export earni... Money supply rose by ... per cent in the year enc... last January and betw... December and July cons... er and wholesale pr... were up by 11.8 and 7.8 ... cent respectively. For s... items, among them f... stuffs and property, ... figures were far higher.

About $1,000m in e... ings from foreign const... tion projects has b... frozen in special b... accounts until next Janu... and an extra $500m w... of imports is planned ... tween now and next Marcl...

Economists argue ... liberalization of imports ... the key to beating inflat... but this is opposed by c... panies which fear fore... competition. They wo... prefer a gradual easing ... restrictions, first cover... spare parts and inter... diate goods, then finisl... products.

Protectionist measu... against South Korean goo... including textiles, footwe... consumer electronics ... steel, and the contin... recession in world shipp... have raised doubts ab... achieving a 25 per cent ... crease in exports this ye... The higher cost of exp... finance and of ... materials, particularly th... from Japan, are ot... adverse factors.

Any notion that So... Korea might relax its exp... drive was quashed ... month when President P... urged the country to w... flat out until overseas sa... reached $50,000m a year.

Spanish-speaking America

Population growth puts strain on housing supply

Michael Frenchman

...ugh economic activity ...atin America showed a ...t drop in 1977 from 5 *cent* to 4.3 per cent, ...ding to the World ...'s annual report there ...been many notable im... ...ments in the area, par... ...arly in economic ...gement. Inflation ...a was rife in several ...tries, notably Argentina ...Chile, appears to have ...*brought under control* ...there have been signifi... ...changes for the better ...e balance of payments. ...the long-felt after... ...*ts of the energy crisis* ...still an influencing fac... ...n the area, as they are ...he export market poten... ...of the industrialized ...*ns in the rest* of the ...d.

...ith the political compo... ...n of Latin America ...ging rapidly during the ...*12 months* and prom... ...of a little more liberali... ...m in some countries, ...y of the economic plan... ...will be forced to take ...*ter note of the social* ...sequences of their strat... ...s. The shortage of ...gy resources and mass ...ration on an accelerating ...e to urban areas, cou*pled with rapid* population growths, continue to be the predominant problems in the region. This year the World Bank and its agencies are lending $398m for energy projects, a sector which takes the second greatest share of financing after agricultural and rural development.

Mexico is *now* the dominant country for energy production and, with *every month that goes by*, its position seems to be strengthened as new *reserves of hydrocarbon* resources are confirmed or discovered. A few weeks ago PEMEX, the state oil concern, announced new reserves of 20,000 million barrels, more than Venezuela, making it the largest potential oil producer in the region. That has changed world financial attitudes towards the country.

A representative of the Banco de Mexico, who was in London *recently, said* that, two years before, it was more or less begging for funds in *Europe*. "Now", he said, "we are having to fight off the bankers who are only too pleased to lend us anything we want." Mexico appears to enjoy most *confidence* among bankers, partly because of its political record, although there are likely to be changes in the next five years, but also because of its oil wealth. The country is marred by its high population growth (total population now 62 million) and migration to the cities. Mexico City, which now has more than 11 million people, is expected to pass the 21 million mark by *the end of the* century.

The World Bank's annual report says that 60 per cent of the population in Latin America lives in urban areas and this constitutes one of the region's greatest problems. Population growth is outstripping the supply of housing fivefold, and nowhere is this worse than in Mexico, but it has had little effect on the country's credit-worthiness. This year will see an approximate 10 per cent increase in its total foreign debt of about $26,000m.

Mexico's net foreign borrowing this year has been limited to $3,000m and this will be reduced next year to *$2,000m*. Real growth in 1977 increased from 2 per cent the previous year to *2.8 per cent. A steady in*crease in gdp is expected as the policies of the post-*Echeverria era begin to* take effect. Gdp is expected to reach between 4 and 5 *per cent by the end of the* year with substantial rises in petroleum, chemicals and *mining. Although inflation* fell in 1977 to about 20 per cent it is expected to be a little higher than this by the end of this year.

Argentina, at present the other potential high flyer in the region, has increased its borrowing capacity strikingly over the past two years and a half. Latest figures estimate the total *debt as $14,000m with* reserves standing at a post-Perón record of $6,000m, *not far behind Brazil's total.* The battle against rampant inflation has continued and *although it* is now 80 per cent (compared with 178 per cent for 1977) it will *not be kept down* to the level expected by Dr José Martinez de Hoz, the Minister of the Economy, who has been under great pressure from various sectors of the military junta and the private business sector alike.

The Argentines are becoming increasingly bullish about oil and gas prospects and are now nearly 90 per cent towards self-sufficiency. The target for petroleum production this year was set at 450,000 barrels a day but this figure was *exceeded in the first four* months. It is possible that by 1980-81 Argentina will *become a net exporter of* petroleum and petroleum products, something which *the Brazilians in particular* are watching closely. With the assurance of firm hydro*carbon resources* Argentina can also look forward to the benefits of additional energy from a number of hydroelectric projects in the 1980s and from nuclear *power*.

Argentina's Pacific neighbour Chile, which has gone *through political upheaval* (still not finished) resulting in *hyperinflation*, is now recognized as being "respectable" in the international money markets. At the end of 1977 the total foreign debt was $4,100m and reserves stood at $164m. This year a rise of up to $8,000m of borrowing is forecast. Inflation is expected to be about 25 per cent this year, a long way from the 1974 rate of more than 500 per cent. Until the recent "truck" war with Argentina (its largest trading partner) over the Beagle Channel, the trade outlook for Chile was good. Prospects for growth are encouraging as Chile emerges from the "has been" syndrome that affects one of the region's most vibrant countries.

Argentina, Brazil, and Mexico continue, as in previous years, to be collectively the largest borrowers on the international money *markets. According to the* World Bank the pace and improvement in these coun*tries' current account* balances has been strong "and on the whole the *countries in the region con*tinue to lay down solid foundations for their fur*ther development*".

Brazil

Banking on an enormous untapped export potential

by Patrick Knight

Brazil's foreign debt will rise to about $40,000m by the end of this year, almost 25 per cent up on last year's figure. By 1979, however, it will have reserves of not less than $10,000m, *more than three times what* is considered adequate by the International Monetary Fund.

Should the debt cause *concern, particularly in a* year when exports will probably earn less than in 1977 resulting in a trade deficit of perhaps $1,000m?

Much of the money Brazil can still obtain with some ease on world markets is now being used to pay existing debts and interest, between them *this* year demanding about $7,000m of new money. Only a small proportion of new borrowing will be used on projects which will raise export potential in the short and medium term.

The bankers are still happy to lend to Brazil, as the size of the reserves show. They are unanimous in concluding that the country *still* has an enormous untapped export potential and that the economy is well managed.

But this is only part of the story. Banks around the world have *far more money* than they are able to lend according to previously *accepted practices*, as much as their lending policies reflect Brazil's current *creditworthiness*.

It is certainly true that Brazil still has plenty of potential. This year, exports by the motor industry, and of orange juice, to take two diverse examples, have grown by between 30 and 40 per cent. But this has not compensated for the drop resulting from bad harvests of several crops, nor lower prices of coffee and iron ore.

Some commodities, such as coffee and soya, will earn only half what they did last year. Imports of maize, wheat and meat will more than cancel out the exports of better years. Yet this year must really be considered normal for most commodities, compared with several recent freak years, when a severe frost affected coffee, feedstuff shortages pushed up the price of soya, and the *sugar* shortage of 1974 caused prices to soar.

Brazil can certainly hope to benefit from the increase in demand for foodstuffs. *With only 2 per cent of its* land cultivated, and productivity on most of that very low, it is *one of the* best placed countries in the world steadily to increase *revenue from food exports*.

But there are no miracles in agriculture, although the *probable next president*, General Joao Baptista Figueiredo, has said it will *be his top priority*. Recent months have seen increasing concern with the bal*looning of the debt*. It is now cheaper for state governments and utilities to borrow from abroad, and for international firms to borrow from head offices, than to pay the very high interest rates on the internal money markets.

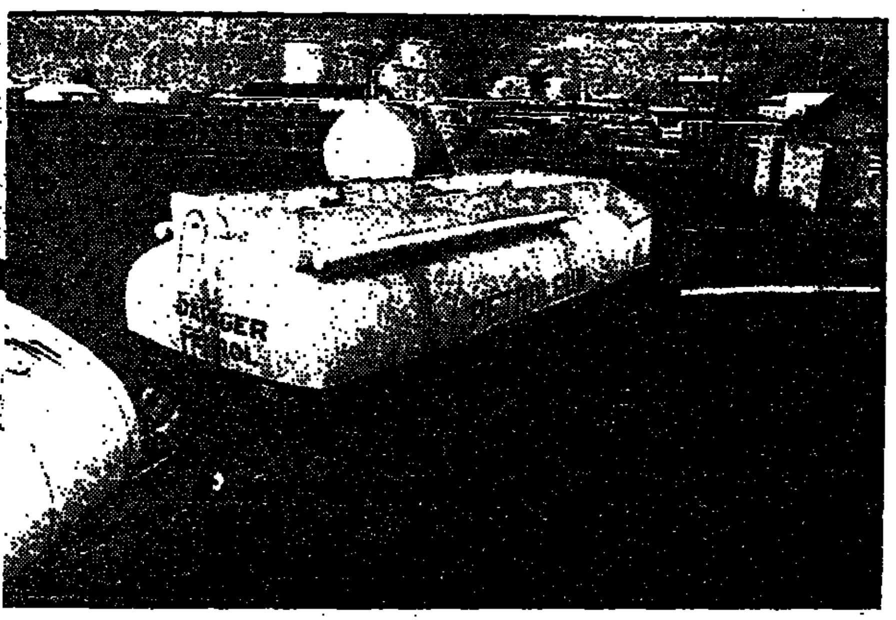
This has contributed to inflation, which will be not less *than 40 per cent this* year. The Government has now frozen the conversion *of loans into cruzeiros for* six months in a move designed to force borrowers *to use internal money mar*kets, or to reduce spending, and thus slow the growth *rate, pressing hard on the 7* per cent barrier this year, considered about the limit. The 150 *days freeze is seen* as the precursor of stricter controls on raising foreign loans.

The debt load has risen to above 23 per cent of gross *national product this year*, as opposed to 19 per cent a few years back. Over the *next three years, $25,000m*, twice export earnings, will be needed just to make *capital repayments, and for* interest. Although Brazil's import bill has been kept down to about $12,000m for the *past few years*, the next years must see its renewed *growth*.

The National Petroleum Council has predicted that oil needs will have doubled by 1985. They accompany the growth rate uncannily closely, and so far this year are up 7 per cent on last. Almost two million barrels a day, double today's amount, will be needed by 1985. If the price remains frozen, this will require $8,000m. But if the price doubles in real terms by then, as many expect, this would be more than exports *now earn*.

Over the next few years, several major construction *projects will require sub*stantial equipment imports: the Itaipu dam on the Paraná, other *dams in Ama*zonia and elsewhere, the second and third nuclear power stations, steel *mills*, mines and aluminium plants. All this will have to be paid for out of new borrowing.

Brazil has been very successful *in developing new* markets, notably for motor vehicles, in African and *Middle Eastern markets, as* well as in Latin America. It has also been remarkably *successful in recent years in* gaining big civil construction contracts in Third *World countries*, for which its technoolgy, adapted to the tropics, is one of the most appropriate.



...tex Oil and Esso petrol depots in Nairobi, Kenya; service industries are ...nificant in the economies of countries that are not themselves oil producers.

Black Africa

Development plans outstrip oil revenues

Alan Rake

...ck Africa has still not ...*overed entirely from the* ...crisis and the economic ...sis of 1974. The price ...plosion in oil and manu...tures was immediately ...lt by the African econo...ies. The oil producers ...emselves, Nigeria, Gabon, ...ngola, Algeria and Libya, ...nefited from the sudden ...crease in oil prices, but ...nce then they have tended ...*let their development* ...ans run ahead of oil ...venues.

As the *dollar* has depreci...ed and the world oil glut ...s begun to bite, these ...untries, particularly ...igeria, Gabon and Algeria, ...ve found that oil revenues ...e flattening off while de...lopment spending has in...eased at a momentum of ...s own. Both Nigeria and ...abon, arguably the richest ...the black African coun...ies, have been driven to ...orrow money on a massive ...ale internationally to fill ...e gap.

A second group of African ...untries are those which are ...ot actually oil producers, ...ut which have well run ...conomies and a range of ...*portant commodities for* ...ports that have made them ...ealthy by African stand...rds. Typical *among* these ...e the Ivory Coast, Kenya ...d Ghana.

These countries were *most* ...riously hit by the cost of ...anufactures and oil immedi...tely after the oil *crisis* but ...nce then the rise in the ...rices of their basic export ...mmodities, particularly ...offee, tea and cocoa, has ...one much to maintain ex...ort earnings and govern...ent revenue. The Ivory ...oast has shown that with ...ood economic management ...nd a wide range of agricul...ural exports a country can ...ontinue to grow at more ...han 5 per cent in real terms ...ince *the oil crisis*. Kenya ...as achieved 5.1 per cent.

The Economic Commission ...or Africa in *its recently* ...ublished annual survey re...peatedly emphasizes the dif...ference between the oil pro...ducers, the richer countries ...with a per capita income of ...more than $300, and the ...poorer African countries.

Since the oil crisis, the oil exporters have averaged a growth rate of 7.1 per cent, the richer countries without oil 6.8 per cent, while the poorer countries have aver*aged less than* 2.5 per cent.

The ECA says: "The increase in Africa's gdp in 1977 was 4.9 *per cent* or less *which is most* unsatisfactory in a region where population growth rate is at least 2.7 per cent a year.... Per capita gdp rose by a little more than 2 per cent *in real terms and in a num*ber of countries, particularly the least developed ones, the *rise was much less*."

This poor performance in real growth underlines the problem *of inflation* which has become acute during the past year. It has been caused *usually by sloppy* financial management by governments which have tried to use *deficit financing methods* to meet the growing demands of their civil servants.

Added to this has been the pressure of outside inflation passed on by the industrial *world in their exports* of food, manufactures and capital goods. Inflation in Ghana has been *officially put at* 107 per cent, in Nigeria and Zaire more than 35 per cent, *in Uganda more* than 30 per cent and in Sudan the official figure is 25 per cent, *though outside* experts put it much higher.

In most of these countries *inflation* has stoked its own fires. Civil servants who form the most significant group of wage earners have been quick to demand wage increases and most governments have reluctantly bowed to ther wishes. Massive liquidity has led to local traders pushing prices higher at home, and to farmers and middlemen charging more for local food, which anyway is scarce.

Almost every African country *also* shows substantial increases in its import bills this year compared with 1977. This is *particularly* significant in those countries which are in the grips of massive inflation, *when the* prices of foreign imports seem artificially low in terms of the local currency. *Hence* Ghana's imports from Britain were up by more than a third in the first half of this year compared with 1977. Nigeria's were up by a fifth, Kenya's more than doubled, and Tanzania's were up by *43 per cent*.

The financial difficulties and inflationary problems of *Ghana, Zaire, Zambia and* Sudan have brought in the International Monetary Fund with its stabilization programmes and advice on tight financial management backed by frequent IMF missions. In Zaire an IMF official has been put in permanently as the number two in the Zaire central bank and as principal controller in the finance *ministry*.

Both Zambia and Zaire had their problems aggravated by persistently poor copper prices which have meant that most of the mines have been *producing at less than the* cost of production. The governments, used to financing most of their expenditure from copper, are obtaining practically no revenue at all from the industry. Both Zambia and Zaire, under IMF guidance, have devalued *their currencies*. Devaluation was also part of the IMF corrective package in Sudan, which devalued by 20 per cent in June last year and in Ghana which has devalued *no* less than three times, by a massive 58 per cent (from *C1.15=$1* before July to *C2.75* in September), since General Akuffo took over from General Acheampong.

Another fundamental problem which is gnawing at most black African economies is declining food production. Most international *institutions* are highly concerned. The FAO index for per capita agricultural production (100 in 1969-71) was down to only 91 in 1977 and the index for food production was scarcely better at 92.

According to the FAO, the only countries to have made good progress during the 1970s in agriculture are Botswana (mainly in cattle), the Ivory Coast (coffee, cocoa and fresh fruits), Malawi (tea and general foodstuffs), Mauritius and Swaziland (sugar) and Tunisia. The World Bank in its recently published *World Development Report* states: "Production of food in Africa has not only failed to keep pace with population growth but has also lagged *behind that* in *other* regions ... food prospects would be gloomy if the past semi-stag*nant trends in food produc*tion were to continue."

Many of the poorer countries were hit by a recurrence of the drought which has been the scourge of the Sahelian belt.

The Gambia also had its soundly-managed economy hit by drought. Sir Dawda Jawara, the Gambian President, toured Western countries as chairman of the Sahel Inter-State Committee *against Drought, to raise* $392m to finance a plan to bring modern technology and research to bear on the problems of subsistence farmers.

The author is editor, African Business.

Israel

Still too early for results of new measures

by Michael Knipe

At the end of last October Mr Simha Ehrlich, the Finance Minister in Israel's new Likud coalition government, radically reformed Israel's 30-year-old economy system by scrapping fixed exchange rates and abolishing all controls on foreign currency transactions.

It was a dramatic action aimed at setting the country's economy on a firmer, more independent footing and was variously described as "a coolly calculated risk" and "a reckless gamble". The first perceived effect was to cause a 44 per cent devaluation of the Israeli pound.

It is still considered too early for the results of Mr Ehrlich's measures to be fully assessed. The Government's economic planners and their supporters maintain that even at this stage the benefits outweigh the drawbacks.

But the economy is still ailing and giving rise to much concern. In particular inflation is soaring upwards at the rate of 3 per cent a month and there are fears that by the end of the year it will have risen more than 40 per cent. Many experts have begun to voice alarm that the country is on the brink of a demand-pull inflation.

One prominent economist, Dr Moshe Ater, maintains that Israelis are growing accustomed to living beyond their means. The average citizen, he says, has a private budget similar to that of a Belgian or a West German but Israel's national production is more similar is that of Taiwan or Colombia. Dr Ater points to the fact that Israel's public sector is larger proportionately than that of either West Germany or Britain and that only 30 per cent of the work force is employed in the productive sectors.

Israel's good news is that in recent years it has managed a notable reduction in its balance of payments deficit. In both 1976 and 1977 the deficit fell by $750m. There is no likelihood of any improvement this year but the hope is that, in spite of inflation, deterioration can be kept down to between $100m and $200m.

The deficit which this year is expected to be between $2,300m and $2,400m is covered by aid received from the United States. Some $1,500m will be to meet the cost of buying American military equipment. Indeed the total amount the United States provides tends to cover the cost of Israel's defence spending as a whole so that in effect the United States is meeting the cost of Israel's security.

The Government maintains that the newly introduced freedom of exchange and the free movement of capital have strengthened the movement of capital into the country and constituted a significant contribution to the expansion of foreign trade and to the increase of interest in investment in Israel.

Exports grew in the first seven months of this year by 28 per cent compared to the target set for the year of 22 per cent, although this was at least partly the result of the sluggishness of the domestic market. There has also been renewed interest from foreign investors. In the first five months of the year 529 investment projects were approved worth £I 5,000m. By contrast in the same period last year only 369 projects valued at £I 3,500m were approved.

Prime Minister Begin, President Carter and President Sadat cheerfu end of the recent conference.

The Government has expressed confidence that economic growth during the year will surpass the expected 4 per cent and reach 5 or 6 per cent. Export growth is expected to contribute 3 per cent to the gross national product. Last year, for the first time, the share of exports in the gross national product reached the level of 25.2 per cent.

The Government's aim is for economic growth next year at the rate of 8 per cent, for real living standards to go up by 3 per cent, for inflation to be slowed at the rate of 5 per cent a year and for the trade gap to be reduced to $65m by 1982.

An economic revival is now under way but it is causing some disquiet because it is domestically inclined. The trend-setting construction industry is building double the number of homes it was last year and retail sales increased at the beginning of the year by nearly 10 per cent over last year's figures.

Industrial output has also grown significantly. In the first quarter of the year demand for labour went up by 3.7 per cent, the imports of raw materials and semi-processed goods by 1 per cent, and the imports of investment goods rose by a third. Purchase of household durables and cars increased by 34 per cent compared to the same quarter last year.

Mr Arnon Gafny, the Governor of the Bank of Israel, has expressed concern that economic growth is accelerating faster than the pace recommended by the bank and doing so on the basis of rising public and private domestic consumption rather than exports. He fears that Israel is in the middle of a process which is liable to lead t tinuing growth of and a slowdown or in exports and th newed expansion balance of payment

The trend can b ted, he says, if th freeze on the furth opment of service income increases ar to productivity gro will demand con government firmn many economists are that it will not b coming.

A 15 per cent c wage increases h negotiated with the rut, the trade unio tion. This together normal cost of livi ance of 70 per cen enough to maintain standards if inflatio ues to run at 3 pe month. However, may have no confi this equation and pects of a series actions look likely.

Spain and Portugal

Signs of recovery and a promising future after lean period

by Harry Debelius

After three years of protracted recession, the Spanish economy in 1978 is showing signs of recovery with a promising future. In Portugal, more sweeping social and economic reforms brought the country to a more precarious economic situation that the brand new government of technocrats now promises to rectify.

Political uncertainty about the course of Spanish economic policy after General Franco died in November, 1975, undermined the confidence of Spanish businessmen and investors. But with a new constitution guaranteeing stable democratic government scheduled before the end of the year and with the continued consolidation of the liberalization policies of the Prime Minister, Señor Adolfo Suárez, businessmen inside and, more especially, outside Spain are now expressing mild optimism.

The Madrid *Bolsa*, or stock exchange, which represents 60 per cent of the combined turnover of all Spanish stock markets, began to pick up at the end of March after a two and a half year steady slide, dropping 33 per cent in 1977 and 29 per cent in 1976. Nevertheless, a recent Bank of Vizcaya report said it is too soon to be considered a general recovery.

Foreign investors are even more positive, directly investing 32,000m pesetas (approximately £214m) in the first six months of the year compared to 28,000m pesetas for all of 1977. Early in the year, the OECD issued a favourable report on Spain. In February the IMF granted a $300m (about £155m) loan to help to pay for interest on the external debt.

So far seven foreign banks have been authorized by a June decree to set up branch operations in Spain with a minimum investment each of 750m pesetas (about £5.25m). The banks are Midland Bank, Continental Bank, Banco do Brasil, First National Bank of Chicago, Deutsche Bank, Barclays, and Bankers' Trust. The reasons behind these propitious developments are not difficult to find.

The Government succeeded early in the year in negotiating a multi-party agreement on political and economic guidelines called the Moncloa Pact, setting a 22 per cent ceiling on wages and on prices of basic necessities. Señor Suárez reinforced this pact in late February with his own five-month stable prices campaign.

The official estimate of the 1978 annual inflation rate is 17 per cent, a long way from the 26.4 per cent in 1977.

At the end of July, consumer prices had advanced 9.3 per cent. Although food prices led the way in price rises in that month, farmers agreed in April to an average 16 per cent increase in 1978 for 19 essential commodities under government control. Meanwhile, money supply will be allowed to grow at only 17 per cent.

The tourist boom by July, already 15 per cent ahead of last year, will bring an expected 37 million visitors to this sunny land of 34 million Spaniards, leaving $5,000m (about £2,600m) behind them. Sharply reduced imports (down 29 per cent in constant money terms during the first four months of this year compared to the same period last year) combined with continuing export stimulation policies are predicted to reduce the trade deficit to less than £520m from £3,600m in 1977 when only 57 per cent of the import bill was covered by exports. Spain at present is enjoying high foreign reserves which at the year's end government officials expect to be 80 per cent above the reserves of £3,190m at the end of 1977. The accumulated external debt is expected to go up to £7,300m, £500m more than last year, according to these same government sources.

The government economic team released guidelines in August calling for a 4 per cent growth in the gross internal product in 1979 (compared to the 2 per cent estimate for this year).

Money supply would expand at 10 per cent in harmony with a predicted 10 per cent price inflation and with pay rises of 10 to 12 per cent. A new Moncloa Pact is considered by the economic spokesmen as indispensible to the success of their programme; and, to this end, they have called for management and labour to join all the parties in attempting to reach a social agreement.

On another front Spain, with the appointment of a permanent minister for EEC affairs, is slowly getting serious about entering the European Economic Community. The Spanish entry gained M Valéry Giscard d'Estaing, the French President, verbal support during his July visit. Nevertheless, experts now admit that Spain faces rough conditions deriving from French and Italian agricultural and wine interests.

Unemployment, especially in the shipbuilding and iron and steel industries is high. As many as a million people may be out of jobs (out of a 13,300,000 labour force), putting Spain's unemployment rate above 7 per cent. Yet by most indicators, the Spanish economy is moving ahead positively in 1978.

By comparison, after the prolonged and finally insuperable crisis of the centre-left coalition Government of Senhor Mario Soares, the former Prime Minister, the Portuguese economy is markedly less healthy.

The Soares Government originally ran into difficulty over the austerity package it introduced in the assembly of the republic, or parliament, last December as part of its strategy to get a £390m loan to refinance part of the external debt.

The IMF loan came through after Portugal accepted a 6.5 per cent devaluation of the escudo. The debt is now running at about £2,300m, which is 30 per cent of the gross internal product.

Last year's trade deficit amounted to about £1,100m and the trade deficit in the first six months of 1978 was up 35 per cent over a similar period a year ago.

The inflation rate from January to June (exclusive of housing) was up 21 per cent compared to a 27.4 per cent rate for all of 1977. Real wages (purchasing power) over the past year dropped from 4 to 5 per cent for all groups and 10 per cent for industrial workers. Unemployment is estimated at 12.5 per cent of the economically active population. The only bright spot is the small manufacturing sector.

The escudo continues to slide at about 1 per cent a month. In July, the Soares Government finally negotiated two loans totalling £234m as part of its debt rescue operation.

For Senhor Nobre da Costa, an engineer, the indemnification of expropriated companies and the handing back of land occupied in Alentejo province during the 1975 revolution is urgent in order to restore fidence of investo businessmen at ho abroad. He said tl ernment must delin private and public sec the economy to foreign capital that i to economic recover also will continue Por efforts to enter the E short, the new Gover by turning back part way from socialism, ho overcome the external strangulation and the nal business stagnatior

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